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Austria	Sch 15	Indonesia	Rp 1600	Philippines	Pes 20
Bahrain	Din 0.650	Italy	L 1780	Portugal	Esc 65
Belgium	BFr 35	Japan	Y550	S Arabia	Rls 6.00
Canada	C$2.50	Jordan	Fils 500	Singapore	S$ 4.10
Denmark	DKr 7.00	Kuwait	Fils 500	Spain	Pta 95
Egypt	£E1.00	Lebanon	£L 6.00	Sweden	SKr 6.50
Finland	Fmk 5.00	Luxembourg	LFr 35	Switzerland	SwFr 2
France	FFr 5.00	Malaysia	Rm 4.25	Tunisia	Din 0.680
Germany	DM 2.00	Morocco	Dh 6.00	Turkey	L 130
Greece	Dr 60	Netherlands	Fl 2.25	U.A.E.	Dh 6.50
India	Rup 15	Norway	NKr 8.00	U.S.A.	$1.50

FINANCIAL TIMES

EUROPE'S BUSINESS NEWSPAPER

No. 29,032 Thursday March 24 1983 D 8523 B

Labour Party's pact with the unions, Page 22

NEWS SUMMARY

GENERAL

U.S. will relax Israel arms ban

The U.S. is to relax its ban on arms sales to Israel, imposed after the invasion of Lebanon in June.

The first weapons to be delivered will be 200 Sidewinder air-to-air missiles costing $16m, the Pentagon announced. Israel previously bought 800, which it used successfully against Syrian Soviet-built aircraft over Lebanon.

The American announcement was a surprise, coming when Reagan Administration critics are arguing for stronger pressure on Israeli Premier Menahem Begin to withdraw forces from Lebanon and enter wider peace negotiations. Page 24

Mauritius crisis

Eleven members of the Left-wing cabinet of Mauritius resigned, saying they lacked confidence in Premier Aneerood Jugnauth. Page 4

Sheep shearers strike

Australian sheep shearers went on strike against using wider combs, which they say harm the sheep and wool and cut jobs.

In Paris, police cleared hundreds of striking medical students from the Health Ministry and railway strikers cut half the trains to northern Europe. Hundreds of New Delhi police were injured in clashes with striking transport workers.

Athens funeral

Tens of thousands lined the streets of Athens for the funeral of murdered Conservative publisher George Athanassiades, many shouting slogans against the Socialist Government.

Bishops expelled

Egypt has expelled five Greek Orthodox bishops for unspecified moral reasons.

Pantheon closed

Rome's ancient Pantheon has been closed after a lump of ceiling fell on the head of a young West German. Rome Opera has been shut because of damage and fire risk.

Swedes end search

The Swedish navy hunted suspected foreign submarines in its waters, followed one until it reached international waters, and called off the searches.

Illegal spin-off

Several people were jailed in Riga, in the Soviet Republic of Latvia, for stealing 300 spin driers to sell as grape-pressing machines for winemakers.

Moscow criticised

Moscow's mayor says the city's services and facilities are inadequate.

Police sacked

Senior police in Odessa have been dismissed for persecuting a Communist youth official who complained about a financial scandal, was expelled from a navy training school and held in jail for 20 months.

Briefly . . .

Zimbabwe is expelling journalist Nick Worrall, correspondent of the London Guardian.

Indian air force bomber crashed near Puna, and two of crew whose parachutes did not open were killed.

Ghana Trade Secretary Ashibo Mensah was sacked.

Stuttgart court gave four years 10 months jail to neo-Nazi for attempted murder of Vietnamese refugees.

German helicopter on mercy flight crashed in snowstorm in Bavaria, killing three.

BUSINESS

UK plans boost for Ulster industry

● UK GOVERNMENT announced an incentive plan to revitalise Northern Ireland that would make Ulster "the most attactive area for industrial investment in Europe and possibly in the Western world" said Northern Ireland Minister James Prior. Page 7

● AUSTRALIA'S new Labor Government says that introducing a "resource rent tax" on mining company profits is one of its priorities. Page 24

● STERLING closed at a record low of $1.4585, 1.35c down on the day, and the pound also weakened to DM 3.54 (DM 3.55), FFr 10.595 (FFr 10.62), SwFr 3.0425 (SwFr 3.055), and Y348.75 (Y352.25). Its Bank of England trade-weighted index was down from 78.5 to 78.3. Page 46

● DOLLAR rose from DM 2.4095 to DM 2.425, and to FFr 7.2675 (FFr 7.225), and SwFr 2.084 (SwFr 2.0735), but fell to Y238.9 (Y239.4). Its trade weighting rose from 122.2 to 122.5. Page 46

● GOLD fell $11.5 in London to $409.25. In Frankfurt it also fell $11.25, to $410.5, and in Zurich by $10.75, to $410.5. Page 43

● LONDON: FT Industrial Ordinary index fell 6.1 to 654.3. Government securities fell by an average of more than 0.5 per cent. Page 29, FT Share Information Service, Pages 34, 35

● WALL STREET: Dow Jones index closed 17.90 up at 1140.87. Page 29. Full share listings, Pages 30-32.

● TOKYO: Nikkei Dow index rose 29.53 to a record 8,311.12. Stock Exchange index moved up 2.38 to 612.7. Report, leading prices, other markets, Pages 29, 32

● DENMARK will ask the EEC to take retaliatory action against Sweden and Norway, who restrict imports of its meat and dairy products. Its parliament rejected a Government Bill to renew trade sanctions against the Soviet Union.

● CHINA'S Trade Minister Miss Chen Muhua arrives in London today on a seven-day mission aimed at expanding trade and economic relations with Britain.

● CHILE is raising its import tariff from 10 to 20 per cent. Page 4

● ROMANIA is confident the IMF will approve a further $400m loan of standby credit next Wednesday. Page 2

● JAMAICA says it has reached an understanding with the IMF about continuing its loan support. Page 4

● BELGIUM'S national bank cut its discount rate by 3 percentage points to 11 per cent.

Ellerman Lines up for sale

● ELLERMAN LINES, one of Britain's largest private groups, with shipping, travel, and brewing interests, is up for sale because the two charitable trusts which own almost 80 per cent want to spread their investments. Possible losses of about £8m this year would cut the group's net worth to about £85m ($124m). Page 7

● S.G. WARBURG, UK merchant bank, has sold its near-25 per cent share in A.G. Becker-Warburg Paribas Becker, the Wall Street investment bank, at an after-tax profit of £3.4m ($5m). Page 24

● DRESDNER BANK, West Germany's second largest commercial bank, is to pay a maintained dividend of DM 4 a share for 1982. Net profits after tax will be identical to those declared for 1981: DM 139m ($52.78m).

Mitterrand says France must reduce inflation

BY DAVID HOUSEGO AND PAUL BETTS IN PARIS

President François Mitterrand pledged last night that his administration would fight with all its strength against "the evil" of inflation.

Speaking to the nation in a televised address following the devaluation of the franc earlier this week, he acknowledged that a devaluation was an inevitable consequence of France's inflation rates exceeding that of its trading partners.

He said France must bring down its inflation rate to that of its neighbours – an implicit reference to West Germany and the agreement struck at the weekend in Brussels that the two countries would aim for more convergent economic policies.

President Mitterrand gave no details of the measures, that are to be announced tomorrow. He instead used the occasion to call on the support of his countrymen, posing the rhetorical question: "Without you, what can we do?"

He left no doubt that holding down unemployment remained a major goal of his administration and that France did not intend to follow the type of anti-inflationary policies carried out more harshly in the U.S. and Britain.

He also made a strong appeal for a "Buy French" campaign as part of the effort to bring France's trade deficit over the next two years back into balance. France ran up a trade deficit of FFr 93bn ($12.9bn) last year. Figures issued last night showed a marginal improvement in the French trade deficit in February, which dropped to FFr 7.6bn from FFr 9.5bn in January.

The President said that when possible people should buy French products. He also said that they should save rather than consume – foreshadowing the incentives to saving expected to be announced on Friday.

Among the other goals of his administration in the difficult period ahead, he also listed eliminating the deficit in the social security budget and keeping a tight reign on the state's budget. He said that major efforts would be undertaken to promote exports.

Speaking from the Élisée Palace, President Mitterrand tried to strike a note of national unity. He did not fight shy of admitting mistakes and said himself that there had been three devaluations since his administration took office.

The President's address came soon after the first meeting of the new Cabinet, which immediately decided to postpone until Friday final decisions on the stabilisation package to accompany the devaluation.

The surprise delay was officially explained as allowing newly-appointed ministers time to assess the impact of the measures on their new parishes and to enable consultations with the trade unions in the hope of broadening the consensus behind the Government's policy.

Inevitably the delay has been seen as a further sign of indecisiveness and of a Government seeking to bridge the irreconcilable demands of the financial markets with those of its own supporters on the Left and of the Communists.

The French press gave a generally sceptical reception to the new administration. Commentators cast doubt on whether M Pierre Mauroy, the Prime Minister, could credibly

Continued on Page 24

Opec may be forced to drop crude price again

BY RAY DAFTER, ENERGY EDITOR, IN LONDON

THE ORGANISATION of Petroleum Exporting Countries (Opec), may soon be forced to reduce its official crude oil prices again, according to leading market indicators.

Gas oil traders on London's International Petroleum Exchange are settling futures contracts at rates that indicate that Saudi Arabia's crude-oil reference price could be down to $25-$25.50 a barrel by October. Saudi Arabia is charging $29 for its Arabian Light reference crude, $5 less than the price which held until the recent Opec meeting.

Latest spot market prices paid for crude oil and products suggest that the present value of Arabian Light oil is between $26 and $28.

Although all the indicators seem to show that Opec's oil is overpriced, there is considerable uncertainty within the oil industry about the true market value of Arabian Light crude and all the other grades of oil trade between producers and refiners.

This is the main reason why buyers and sellers of UK oil are still far from agreement on new contract prices for North Sea crudes.

The oil price conundrum (Arabian Light Crude – $ per barrel)

New official price	29.00
Spot market price	28.00–28.10
Value, based on product prices paid by N. W. European consumers*	26.00–27.50
	26.00–27.00
Value, based on spot market product prices	25.00–26.00
Value, based on gas oil futures prices agreed for October	

* Value depends on whether crude is processed in a basic refinery or in an upgrading plant

The British National Oil Corporation (BNOC) may not be able to recommend price reductions until well into next week. About half BNOC's customers are still paying $33.50 a barrel on the understanding that any adjustment will be back-dated to February 1 while the remainder are provisionally paying $30.50.

Shell UK and British Petroleum, two of the main producers and users of North Sea crude, are among the companies still to accept NBOC's recommendation last month that the UK reference price should be $30.50. Since then, Nigeria, the main producing competitor of the UK, has lowered its price by $5.50 to $30 a barrel. UK refiners have argued that on quality grounds North Sea crudes should be cheaper than Nigerian oil.

"We want to see the light before settling new prices," one of BNOC's main customers said. "At the moment we are working in the dark. We are not sure what some of the Opec members are now charging

Continued on Page 24

U.S. bank says Mexican loan rescue package will fall short

BY ALAN FRIEDMAN, BANKING CORRESPONDENT, IN LONDON

MEXICO'S present loan rescue package will not be adequate in the face of falling oil prices, the president of Manufacturers Hanover Trust, the fourth largest U.S. bank, predicted yesterday.

Mr Harry Taylor, said in London he expected Mexico could require between $1.5bn and $2.5bn of additional loans this year. These would supplement the main rescue package already in place and consist of $3.6bn from the International Monetary Fund (IMF), $1.95bn from the Bank for International Settlements and the U.S. Federal Reserve, and $5bn from commercial banks.

In Washington, meanwhile, Mr William Draper, chairman of the U.S. Export-Import Bank, said he will meet senior government officials in Mexico next month to discuss rescheduling nearly $500m in debts owned by Mexican companies. Mr Draper told a Senate subcommittee that the bank had $36bn of outstanding loans, most of them to less developed countries, hit by world recession and facing debt problems.

He added that the Export-Import Bank expected losses of $730m, largely as a result of credits extended to private companies in Mexico, Venezuela and Argentina.

In London, Mr Taylor said that although declining interest rates would help Mexico and other debtor nations, Mexico's need for additional money this year could alter some of the arrangements which have already been made with the IMF and commercial banks.

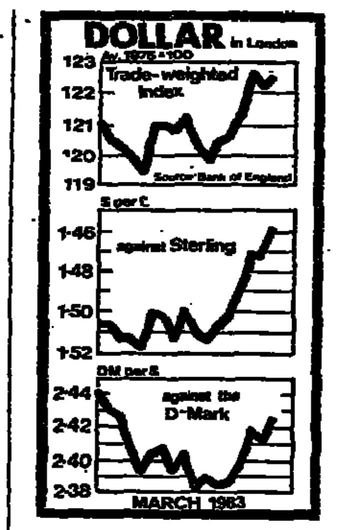
"I think Mexico will need to replace the lost revenue resulting from the reduction of oil prices," he explained.

Mr Taylor's prediction confirms what commercial and central bankers have been saying privately for several weeks. He said the new loans would be required by the end of 1983 and could constitute an package from central banks, the IMF and commercial banks.

Turning to the U.S. economy, Mr Taylor foresaw "a single-digit prime rate by the end of the third quarter, with further modest declines as the year progresses."

Speaking at a luncheon, Mr Taylor launched his own proposal for a new international "guarantee mechanism" which would help banks to lend to debtor nations. He characterised most of the recent proposals for a new banking discount facility (or "lifeboat") as "unrealistic."

The Manufacturers Hanover solution to world debt problems was to establish an agency, possibly as part of the IMF, which would act on a temporary basis to guarantee new bank loans to debtor countries. The guarantee would have to be less than standard export credit guarantees.



Dollar advances strongly in Europe

By Jeremy Stone in London

THE DOLLAR gained heavily yesterday against European currencies as ripples from Monday's realignment of the European Monetary System continued to spread through foreign exchange markets.

Sterling was the most serious casualty, falling 1.35 cents to by far its lowest closing value of $1.4585, but the dollar also gained 1.55 pfennigs against the revalued D-Mark – closing in London at DM 2.4250 – and was 4¼ centimes better against the French franc, finishing in London at FFr 7.2675.

The pound lost ground against European currencies too – it closed 1 pfennig lower at DM 3.54. Its effective exchange rate of 78.3 against the Bank of England's trade-weighted basket of currencies was lower than at any time since November 1976.

Currency market operators continued unravelling the D-Mark positions which they had collected in advance of this week's revaluation. They tended to buy dollars or yen, which strengthened even against the dollar. A growing perception that U.S. interest rates have been creeping upwards was reinforced by reports that Mr Paul Volcker, Federal Reserve chairman, was taking a less accommodating view of monetary growth.

In London yesterday Mr Harry Taylor, president of Manufacturers Hanover, said although the overall trend of U.S. interest rates was still downwards, "a jerk on the reins" had quite clearly been applied by the Fed.

Eurodollar interest rates edged higher yesterday morning and six-month rates were in the region of

Continued on Page 24

Economic viewpoint, Page 23; money markets, Page 46

Bonn coalition in agreement on programme

BY JONATHAN CARR IN BONN

CHANCELLOR Helmut Kohl of West Germany has been assured of re-election as government leader in the Bundestag next Tuesday, following the agreement by the Centre-Right alliance on a programme for the next four years.

The policy accords reached on Tuesday night by leaders of the three parties – Herr Kohl's Christian Democrats (CDU), the Bavarian Christian Social Union (CSU) and the liberal Free Democrats (FDP) – involve little change from the line pursued by the alliance since it came to power last October.

The new cabinet, to be sworn in next week, reflects this stability. According to government officials, only two changes are planned. Herr Josef Ertl, of the FDP, is losing his place as Farm Minister to Herr Ignaz Kiechle of the CSU. This reflects the drop in the FDP's support, to 7 per cent of the vote in the latest ecelection, compared with 10.6 per cent in 1980.

In the other change, Herr Heinrich Windelen, of the CDU, is to take over inner-German affairs from Dr Rainer Barzel, who becomes President of the Bundestag (Speaker of the House).

Barring an unexpected last-minute switch, the cabinet would have eight CDU ministers (apart from Herr Kohl), five CSU and three FDP.

Among the top jobs would be: **Foreign Minister** – Hans-Dietrich Genscher, FDP; **Finance Minister** – Herr Gerhard Stoltenberg, CDU; **Economics Minister** – Count Otto Lambsdorff, FDP; **Defence Minister** – Herr Manfred Worner, CDU; **Labour Minister** – Herr Norbert Blüm, CDU; Interior Minister – Herr Friedrich Zimmermann, CSU; **Justice Minister** – Herr Hans Engelhard, FDP.

The negotiations on policy were concluded unusually quickly, despite some fears at the start of the discussions last Thursday that the CSU might try to persuade the FDP to abandon some key liberal principles. One reason is that some tricky details have been left for further discussion.

For example, on foreign policy, the broad lines of Bonn's stance within the EEC, Nato and towards Eastern Europe have been confirmed. But the CSU still wants changes involving, among other things, a more conservative line in policy towards South America and Southern Africa.

Among key points emerging from the talks were:

Budget. Next year's Federal Bud-

Continued on Page 24

U.S. consumer prices show 0.2% decline

BY ANATOLE KALETSKY IN WASHINGTON

U.S. CONSUMER prices fell last month, for only the second time since 1966. The consumer price index declined 0.2 per cent in February, after increasing by the same degree the previous month, the Labour Department reported yesterday.

The fall in the February index, which has brought the rate of inflation over the past year down to 3.5 per cent, was immediately hailed by the White House as evidence that a steady and lasting economic recovery was securely under way.

A 6.7 per cent plunge in petrol prices, which reduced the transport element of the index by 1.6 per cent, was the main reason for the overall decline. Other elements unrelated to energy have continued to grow at only a moderate rate, consistent with the widely held view among economic forecasters that the underlying rate of inflation in the U.S. has slowed to 5 or 6 per cent or even less.

Seasonally adjusted food and housing costs were both unchanged in February after rising 0.1 per cent and 0.5 per cent respectively the previous months. Clothing costs increased 0.5 per cent in February, compared with January's 0.3 per cent increase.

The one element that has completely resisted the trend has been medical costs, which increased by 0.8 per cent in February and have risen by between that and 1.1 per cent every month for the past year.

Technical monetarists in the Reagan Administration and on Wall Street have been arguing recently that the very rapid growth in the money supply over the past six months would inevitably produce an unsustainably rapid economic expansion and an upsurge in inflation in the latter part of this year.

CONTENTS

EUROPEAN NEWS

Nato reaffirms backing for zero-option proposal

BY DIANA SMITH IN VILAMOURA

NATO defence ministers are continuing to support the U.S. effort to negotiate the "zero-option" on intermediate range missiles in Western Europe and the Soviet Union, but hope that President Ronald Reagan will offer an interim proposal in case this cannot be achieved.

In the official language of the communique issued here at the end of the Nato Nuclear Planning Group spring meeting: "Nato defence ministers have emphasised their determination to move ahead with the double track modernisation of nuclear weapons and arms control.

"The defence ministers voiced their full support for U.S. efforts to achieve total elimination of all long-range land-based missiles—the zero-option.

"In the absence of such an agreement, deployment of Nato's intermediate range missiles (ground launched cruise and Pershing 2 missiles) would begin according to schedule at the end of 1983."

The communique noted that the Soviet Union had yet to make proposals which recognise the legitimate security interests of the West.

"Contrary to recent claims by Soviet leaders, the Soviet proposals have not substantially changed since the beginning of negotiations," it said.

It considered unacceptable and not serious the December 21 proposal voiced by Mr Yuri Andropov, the Soviet leader, to reduce Soviet intermediate weapons taking into account the British and French independent nuclear deterrent.

Mr Caspar Weinberger, the U.S. Defence Secretary, said after the meeting it was the "most satisfactory" he had attended.

The communique stressed the public solidarity Nato partners want to be seen to be offering the U.S. in its efforts to achieve the zero-option, which they all seem to agree is the desirable ultimate goal.

Mr Michael Heseltine, the British Defence Secretary, appeared to reflect this when he said: "We believe there is a need to look at any reasonable alternative and discuss all the options that may be realistic within the alliance."

WEINBERGER IN MADRID FOR THREE-DAY TALKS

U.S. probes Spain's defence stand

BY DAVID WHITE IN MADRID

THE U.S. Defence Secretary, Mr Caspar Weinberger, arrived *here yesterday* from a Nato Nuclear Planning Group meeting in Portugal for three days of talks with the alliance's most recent—and most undecided—member.

The Socialist Government's *attitude towards Nato, which* admitted Spain as its 16th member last year, and pending arms purchases from the U.S. will dominate the discussions.

The visit, made at the invitation of Sr Narcis Serra, Spain's Defence Minister, includes meetings today with Sr Felipe Gonzalez, the Prime Minister, who makes his first trip to the U.S. in June, and King Juan Carlos.

Mr Weinberger is seeking clarification of Spanish intentions following the Government's decision to freeze the process of integration into the Western alliance's military command and its *electoral* pledge to hold a referendum on the Nato issue.

This was already high on the agenda when Mr George Shultz, the U.S. Secretary of State, came to Madrid shortly after *the Socialists assumed power in* December.

Sr Gonzalez has shown himself in *no* hurry to press the Nato issue, despite pressure from the Left. Among other factors being considered is the impact of membership on efforts to give the Spanish armed forces a more professional and less political role.

The Premier made clear last week that the Government would not hold a referendum this year in view of existing tension between the power blocs. He emphasised Spain's place as "a Western country with commitments to the West, *including from a defence point* of view," and said the Government would take the time it needed to weigh the country's defence requirements. At the same time, he reaffirmed Spain's opposition to nuclear missiles on its territory.

Meanwhile, Spain and the U.S. have smoothed the way towards ratification of a five-year agreement covering continued U.S. use of Spanish facilities — principally the air bases *of* Torrejon, Zaragoza and Moron and the Rota naval base in the south.

An additional protocol has been agreed which allows for revision of the accord if Spain changes its Nato status and which removes references to the integrated command structure. The accord awaits ratification by the Spanish Parliament before the deadline date of May 21.

Left-wing organisations have held large anti-Nato and anti-U.S. demonstrations outside air bases, and a recent public opinion poll showed a majority against either belonging to the alliance or having U.S. forces based in Spain. Spanish officials hope to accommodate these *sentiments by ensuring what* they call "an autonomous space for Spain in the defence of the West."

The Government, meanwhile, has until the end of May to reach a final decision on whether to go ahead with a $3bn (£2bn) deal for 84 McDonnell-Douglas F-18A aircraft, after reconsidering this choice against the Anglo-German-Italian Tornado.

Romania confident of $400m IMF loan

By David Buchan in Bucharest

ROMANIA IS confident the International Monetary Fund board will approve on March 30 a further $400m loan tranche of its standby credit, Mr Iulian Bituleanu, the Deputy Finance Minister, said yesterday.

Better relations with the IMF coincide with relatively smooth debt rescheduling talks now under way with Western bank creditors, and reflect the considerable improvement in Romania's external finances over the past year.

Dr Bituleanu said $250m of this year's IMF loan would go into reserves, which were built up by the end of 1982 to $887m (including a large amount of very conservatively valued gold).

Romania also reduced its net foreign debt from $10.1bn at the end of 1981 to $9.7bn by last December, he said. It hopes to finalise by May the rescheduling of $800m, or 70 per cent, of its commercial bank debt maturing this year, and to do a similar deal with Western governments shortly after.

These are better terms than *Romania offered its creditors last year when 80 per cent of* maturities, including overdue payments to Western companies, were rescheduled.

Lower indebtedness and increased reserves have been made possible by last year's hard currency trade surplus of $1.5bn, Dr Bituleanu said. Romania was hoping for $1.8bn this year. This calculation was made, however, before the U.S. announced its intention to withdraw most favoured nation tariff status because of Romania's new Emigration tax. U.S. *officials estimate this could cost* Romania $200m in lost exports.

The trade improvement last year was achieved at the cost of sharply lower imports from the West. "We don't intend to let this improvement slip away." Dr Bituleanu said.

The main casualty this year is likely to be oil imports for Romania's big refining and petrochemical industry. The Government intends to import only 1.5m tonnes this year to provide for basic internal needs.

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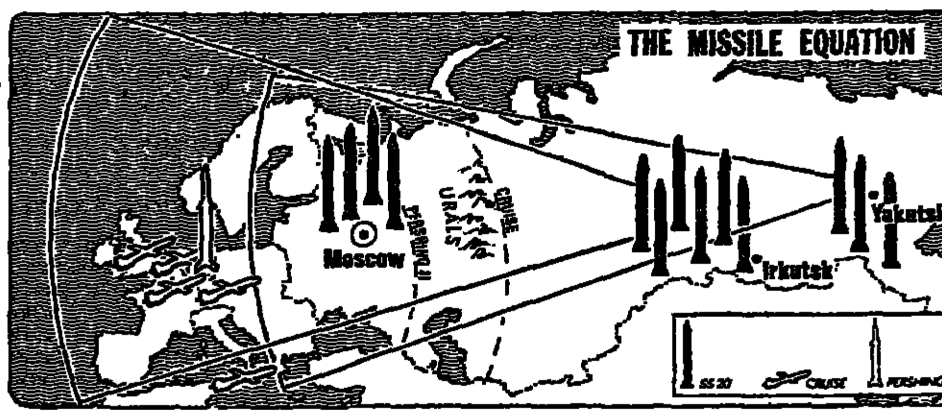
Why the promising SS-20 missile has put Moscow in a double bind

BY ANTHONY ROBINSON IN MOSCOW



SOVIET LEADERS possess a deep, oriental dislike of losing face, and react sharply to any suggestion that they might have made a mistake or a miscalculation, an observation proved most recently following the Christian Democrat victory in the West German elections.

The conservative coalition's win has reinforced the cohesiveness of the Western alliance and emboldened European Nato governments to press the U.S. administration to take the initiative with a compromise proposal to replace President *Ronald Reagan's zero option* on the deployment of missiles in Europe.

On the face of it, this expression of European desire for compromise should have been comforting to Soviet leaders. *Instead*, a spate of shrill anti-American articles in the Soviet Press have made clear that, for public consumption at least, the Soviets regard it as a meagre consolation prize.

Their hopes that a Social Democrat victory would have led to disarray in the Western *alliance* and *indefinite* postponement of the Nato decision to start installing Pershing and Cruise missiles by the end of 1983 have now been dashed.

What is more, the Soviets now appear to fear that West European pressure on President Reagan will oblige the *Americans to come up with* a compromise proposal which would be difficult to reject because of the harm that would be done to the credibility of their self-proclaimed desire for "balance and equal reductions." Such a proposal would also be difficult to accept because it would imply the need for further reductions in the deployment of the SS-20 missiles on *which they have lavished such* heavy investment.

Few weapons in history have been as militarily promising and politically counter-productive as the SS-20. The accurate 4,500 km range of its thre independently *targettable* warheads and its high mobility make it the classic weapon for a land-based superpower like the Soviet Union which has potential enemies in both Europe and Asia.

Yet deployment of more than 330 of the new missiles during the last five years has served to symbolise the steady increase in Soviet military might and sophistication, not only in Europe and the U.S., but also in Japan and China.

Although the talks about intermediate range missiles in *Europe are a strictly U.S.-Soviet* affair, the deployment has provided the U.S. with an opportunity to represent, not only the interests and fears of its European Nato *allies*, but also those of Japan and China, who fear that any reduction in deployment of SS-20s against Europe might not be matched in Asia.

The Soviets are extremely resentful about U.S. "resumption" in *this* respect. Mr Georgi Arbatov, director of the Moscow Institute for *North American Studies* and the leading Soviet expert on the U.S. recently repeated the late President Leonid Brezhnev's offer of direct Soviet-Chinese talks in an article published by the Japanese *newspaper Asahi Shimbun.*

This hint to China is an indication that the Soviet Union, despite the public truculence expressed for *example in Mr Arbatov's* subsequent article in Pravda last week, has not yet closed its mind to further concessions on SS-20 deployment, either in Europe or Asia.

But, as Mr Arbatov's Pravda article emphasised, this is not the impression that the Soviet Union wants to give to the *Americans*. The *thrust* of Mr Arbatov's article was to dismiss in advance any future American compromise offer as "nothing more than a propaganda trick designed, under the pretext of seeking a compromise, to *achieve the same old aim*— deployment of U.S. medium range weapons in Europe."

The Soviets are sticking by their claim that the SS-20 *merely compensates for* the forward-based U.S. aircraft and submarine-launched nuclear systems and has restored, not disturbed, the nuclear balance in Europe.

From this starting point, Mr Yuri Andropov's offer on December 21 to reduce Soviet intermediate missiles to the *same* number of strategic missiles deployed by Britain and France, represented a real Soviet concession and one which undermined previous Soviet claims that balance was achieved only by the current *deployment levels.*

Following the usual Soviet practice, Mr Arbatov and other Soviet Press commentators have mixed in veiled threats with their warnings to Europeans not to be hoodwinked by the Americans into installing Cruise and Pershing missiles.

Deployment of the new missiles would have a negative effect on the parallel strategic *arms talks in Geneva and would* force the Soviet Union to consider a whole series of vaguely defined but unpleasant options like siting new weapons "near the U.S. frontier" (Arbatov) or in Eastern Europe.

They would in any case ensure that "balance" as defined by the Soviet Union would be restored.

A commentary put out by the semi-official Novosti Press agency three months ago even went so far as to suggest that the Soviet Union would switch to a "launch on warning" strategy if the new missiles, especially the time-sensitive Pershings, were installed on West German territory.

This blood curdling stuff is designed to impress on West European public opinion and peace movements the dangers implicit in deployment of the new "threat" to Soviet security.

But Western diplomats remain convinced that the Soviet Union is still posturing *and will continue to do so.* Whatever its public reaction to any future U.S. proposal, all new ideas will be carefully explored both in Moscow and Geneva, *they believe.*

The Soviet side has never publicly acknowledged that the U.S. and Soviet negotiators at Geneva ever went for "a walk in the woods" to sound out the parameters of a possible compromise. But further meetings of this kind can be expected as the deadline for deployment *moves closer. They may pave* the way for an eventual Andropov-Reagan summit if there is sufficient progress to dispell the deep suspicion between the two sides.

Before getting to that stage, however, Mr Andropov will have to be sure he has the necessary political and military *support* for any compromise. The Soviets are believed to want a deal that at least removes the Pershing 2 threat while accepting Soviet arguments for deploying some SS-20s.

It is not known how many SS-20s are judged by the Soviets to be their indispensable minimum. But in this deeply security-conscious country, the margin for further concessions is certainly limited.

At heart, Soviet leaders know that the influence of the Soviet Union and the respect which it commands is not due to its ideology, its size or its raw materials, but to the military power at its command.

High-flying Chevenement makes spectacular fall from grace

BY PAUL BETTS AND DAVID MARSH IN PARIS

M JEAN-PIERRE Chevenement, who has left the high-flying post of Minister for Research and Industry in a spectacular fall from grace, is the most visible casualty of the French government changes.

His successor, M Laurent Fabius, resembles him in being young, elegant, technocratic and intensely political. He is also one of the closest confidants of President Francois Mitterand, with whom M Chevenement has recently fallen out.

M Fabius, who at 35 is the youngest *minister in the French* cabinet, previously held the Budget portfolio now being absorbed by M Jacques Delors, the Finance Minister. He is generally expected to bring a more pragmatic approach to industrial policy.

Only a *few* months ago M Chevenement was regarded as the whizz kid of the country's ambitious programe of industrial intervention. As one of the leaders of the influential far-left Ceres faction in the French Socialist Party, he was widely tipped as a possible future Prime Minister.

It has now emerged that M Chevenement handed his resignation to President Mitterrand as long ago as February 2. The month before, the leaders of France's nationalised industry had lunch with the President bitterly complaining about M Chevenement's meddling

Then, on the same day M Chevenement handed in his resignation, M Mitterrand issued a public declaration against excessive bureaucracy and intervention in the nationalised industries. The statement, widely regarded as a rebuke to M Chevenement, now seems to have been the minister's unofficial dismissal notice.

M Fabius wasted no time yesterday to signal clearly to French private and public industry his intentions to change the style of industrial policy. He promised he would respect the autonomy and independence of the managements of nationalised industries. This, he said, was M Mitterrand's desire, adding: "It is up to their managers to make them work."

He is the fourth person to take over the industry portfolio in less than two years since the left came to power in France. That alone reflects the key role the ministry plays in the country's economic and political life. And with M Fabius, M Mitterrand will now have an ally rather than a potential rival at the ministry.

With his recent background at the Budget Ministry, M Fabius will probably be more sympathetic to the deepening financial woes of not only French nationalised industries but of the private sector as well. This is especially so in the motor industry where concern is mounting at all levels about the future of the huge private Peugeot-Citroen car group

The zenith of M Chevenement's influence now seems to have been the wide-ranging industrial colloquium organised by his ministry last November. Both he and the President gave long speeches, adopting the same military metaphors about the need to mobilise French industry, and summing up the across-the-board interventionist approach in the same ringing phrase: "There are no condemned sectors, simply outdated technologies."

But results, not rhetoric, finally count — and M Chevenement's track record has been disappointing. A welter of key strategic decisions stretching right across the nationalised industries — from telephones to chemicals, aluminium to mechanical engineering — has been held up by government interference, lack of clear policies or disputes with other ministries.

M Chevenement's insistence on focusing energies purely on the nationalised sector and giving scant attention to private industry, which still makes up three quarters of French manufacturing, earned disapproval from officials at the Prime Minister's office.

H Jacques Delore, the Finance Minister, who has now been given wider powers in the cabinet shake-up, clashed publicly with M Chevenement about the latter's grandiose scheme to set up a nationalised investment bank, which M Delors regards as unnecessary. The Finance Ministry has also been upset by M Chevenement's attempts to give instructions to the nationalised banks on industry financing.

An official close to M Chevenement remarked last month that the former minister's undoubted political clout and his position as the third or fourth most important man in the Government gave him the ability to come out on top in inter-ministerial in-fighting. It is now clear, however, that his most important battle was with the President—and it was a dispute from which he could emerge only as the loser.

A LONG-RUNNING French Government dispute over the future of the telecommunications industry has taken a small step nearer resolution, writes David March. The Government has assured unions that CGCT, *the troubled telephone equipment* maker formerly owned by U.S. telecommunications giant ITT, will not be absorbed by either of the main French nationalised electronics companies.

CGCT, which itself was taken over by the Government last autumn, has for months been at the centre of inter-ministerial wrangling over its future.

M Jean-Pierre Chevenement, the former Industry Minister, wanted to align the group with Compagnie Generale d'Electricite, while M Louis Mexandeau, the Posts Minister, wanted to bring it into the orbit of the Thomson group.

The dossier now has to be studied afresh by M Laurent Fabius, the new Industry Minister. But the office of the Prime Minister has written to CGCT unions stressing that, whatever happens, the group—which lost FFr 285m (£26.8m) last year on turnover of FFr 2bn (£188m)—will not be dismantled.

U.S. rules out early Gatt talks resumption

By Giles Merritt in Brussels

THE U.S. Government yesterday ruled out any early resumption of the General Agreement on Tariffs and Trade (Gatt) ministerial discussions that took place in Geneva last November but failed to establish a clearcut consensus for strengthening international trading rules.

Although the Reagan Administration has recently made it plain that it wishes to seek reforms to the Gatt free trade framework, Mr David McDonald, the Deputy U.S. Trade Representative, made it plain yesterday that Washington would not be adding its weight to any bid to reconvene the 88 Gatt trade ministers in the foreseeable future. He said that the U.S. would first require "some insurance" that fresh Gatt talks "would be more successful than last time."

Mr McDonald, who was speaking in an arranged telephone interview with journalists here, warned that in the meantime, however, support for free trade is declining throughout the world.

A new "gravitational pull" is needed, Mr McDonald said, to convince governments that freer trade is in their best interests.

Turning to the simmering EEC-U.S. row over subsidised farm exports, Mr McDonald emphasised that a solution to the dispute has to be found because the cost of a transatlantic agricultural trade war would far outweigh the benefits to either side. He commented that, with the EEC currently spending $3bn a year on export restitutions and the U.S. some $3bn a year on domestic intervention, the two sides had "become like a couple of drunks leaning on each other to remain upright."

Denmark votes to end trade sanctions against Moscow

BY HILARY BARNES IN COPENHAGEN

DENMARK yesterday stepped out of line with other EEC countries when its Parliament voted to end trade sanctions against the Soviet Union. Mr Uffe Ellemann-Jensen, the Foreign Minister, said the decision would harm Denmark's reputation with its allies and be misused in Soviet propaganda.

Mr Ellemann-Jensen: Denmark's reputation harmed

The EEC last year introduced trade sanctions on a selected list of non-essential goods as a gesture of support for the Polish Solidarity movement. Denmark, which then *had* a Social Democratic Government, adhered to the policy, although had objections in principle to the use of a Rome Treaty trade clause for political purposes.

When the sanctions were due to be renewed, therefore, the present non-Socialist coalition introduced a Bill to renew them on a national basis (the same procedure was used by Denmark last year when the EEC imposed sanctions on Argentina). But in yesterday's 78—68 vote, it was defeated by the Social Democrats and other left-wing parties and the tax-protest Progress Party.

The opposition has also tried, but failed, to find a majority for a vote of no confidence in the foreign minister for agreeing to renew the sanctions from January 1 to March 1 while national legislation was prepared.

Yesterday was the second occasion on which the Social Democrats have won a foreign policy vote against the Government, and on both occasions the party has shifted from the position it took when in office.

The other occasion was in December, when Parliament voted to suspend Danish payments for Pershing 2 and cruise missiles sites in Nato countries in protest at the programme.

The Social Democrats, sharply divided on the sanctions issue, argued that they serve no useful purpose. The move is widely seen here, however, as dictated primarily by a desire to make trouble for the minority Government.

How Strauss failed to set Kohl Right

BY JAMES BUCHAN IN BONN

IT WOULD have been rum indeed if the resounding victor of the 1983 West German general election could not have held off a challenge from the bad loser of the 1980 election.

Yet when Chancellor Helmut Kohl led the allied Christian Democrats (CDU) and Bavarian Christian Social Union (CSU) to their best result for a quarter century on March 6, it was still felt he would fall under the spell of Herr Franz-Josef Strauss, the CSU leader.

Yesterday, when the smoke cleared from a week of intermittent coalition negotiations, it was to reveal a satisfied Herr Kohl with the moderate government he wanted, anchored in the centre through alliance with the liberal Free Democrats against CSU attempts to drag it to the right.

Herr Strauss announced on Monday that, after all, he would not be in the Cabinet and would stay as Prime Minister of Bavaria. The CSU claims of "an outstanding result" in the talks seemed largely reducible to their gain of a fifth portfolio, the Agriculture Ministry, from the FDP's Herr Josef Ertl.

The misreading of the balance of power within the "union" partly arises from a failure to appreciate the changing relationship between Herr Strauss (67), and Herr Kohl (52). Whereas the former could make mincemeat of the younger man in debate in the mid-1970s, he has since lost some of his touch.

Recent performances on television—and apparently in the coalition negotiations — where Herr Strauss fumbled with a mass of paper detail, has spectacles at the end of his nose, have been remarkable in that the Bavarian himself seemed tragically aware he was not coming across.

As his crispness in discourse has diminished, so his political faults—a tendency to dither and a poor sense of political timing—have seemed more glaring. Nobody was really sure whether Herr Strauss really wanted a senior ministry or was merely playing a tactical game, but by last weekend he was in danger of making himself ridiculous.

In contrast, some commentators have found it hard to see past the folkloric side of Herr Kohl's nature, the childlike basking in the dignity of high office, the sack-like suits, the passion for geographical truisms ("America has an east coast and a west coast. . .")

Herr Kohl has a good sense of timing. In 1980, he gracefully stood down as Union chancellor candidate to allow Herr Strauss to self-destruct. Last week, he left Herr Strauss make the running and the CSU generate rumours, only to turn around and hand the Bavarian an unacceptable offer: any ministry except Foreign, Finance or Economy, already promised either to the FDP or to powerful CDU supporters.

If Herr Strauss has been compared to Hannibal, battering at the gates of Bonn, Herr Kohl must be Quintus Fabius Maximus, wearing out his opponent by avoiding a pitched battle until the invader turns round and returns home.

In a sense, Herr Strauss's defeat came on March 6 when he failed in all his efforts to discredit the FDP and secure the absolute majority for the Union parties which would have put him at Herr Kohl's right hand. CDU voters handed votes to the liberals to ensure their survival in the coalition.

Despite losing a third of their seats at the election, the FDP emerged from the coalition talks relatively unscathed. The party's notion that a special levy on those with high incomes should eventually be repaid was settled in a compromise, despite the opposition of both the CDU and CSU who wanted it treated as a tax.

As for foreign policy Herr Strauss's immense position paper outlining "corrections" to the policy conducted by Herr Hans-Dietrich Genscher, the FDP Foreign Minister, was all but swept away by Herr Kohl's firm desire to maintain "continuity." Typically, Herr Strauss's paper was leaked to the Press, but too late to cause a stir.

However, this does not mean that the five CSU ministers in the Cabinet will not make their presence felt in Bonn. In the past few months the Bavarian team in Bonn has done much to emancipate itself from its brooding leader in Munich.

Protest vote over Polish minister

By Christopher Bobinski in Warsaw

THE POLISH Parliament yesterday registered an unprecedented protest when 81 members abstained and 69 voted against accepting the resignation of Mr *Jerzy Wojtecki, the Agriculture Minister.*

Poland's military leader, Gen Wojciech Jaruzelski, had said that the minister was "exhausted by his difficult task."

The high dissenting vote reflected widespread feeling that Mr Wojtecki, a Communist party official, had run his ministry sensibly and with farming interests in mind. Departing government officials rarely make their true motives public but one of the reasons for Mr Wojtecki's resignation appears to be the fall in farming incomes relative to urban wages which is envisaged in the 1983-1985 economic plan now under discussion.

This issue is worrying the Peasant Party which is allied to the Communists, as is the lack of guarantees that the promised extra farming machinery will be available over the three-year period.

Mr Emil Kolodziej, one of the Peasant Party's 113 deputies, pointed out that farming incomes are planned to rise by 15 per cent against 52 per cent in other sectors. However, members of his party were among abstentions and votes against the appointment of Mr Scanislaw Zieba, the head of the central committee's farming department, as the new Agriculture Minister.

The deputies also used their new-found weapon of abstention in the voting on the appointment of Mr Stanislaw Ciosek as Wages Minister — 55 abstained and nine voted against.

● The official invitation to Pope John Paul by the Church and state, together with yesterday's announcement of the seven-day programme has dispelled doubts whether the controversial visit would take place.

Officials dismiss speculation that expected demonstrations by Solidarity supporters at the beginning of May will provide a pretext to postpone the visit

AMERICAN NEWS

Nicaragua accuses Honduras of trying 'to provoke war'

BY WILLIAM CHISLETT IN MANAGUA

NICARAGUA yesterday accused *Honduras of attacking a Nicaraguan* border post as part of U.S. plan aimed at provoking all-out war between the two Central American *neighbours.*

In a note to Sr Edgardo Paz Barnica, the Honduran Foreign Minister, the Nicaraguan Foreign Ministry said that on Sunday Honduran troops using heavy machine guns, 81mm mortars and assault rifles attacked the Nicaraguan border post of Vado Ancho.

Government official in Managua quoted by Reuter also said that there were indications that Honduran troops were massing along the Nicaraguan border.

In New York, meanwhile, the UN Security Council was expected to begin debate last night on Managua's complaint that it was the target of U.S.-backed aggression aimed at overthrowing the Sandinista regime. In Washington, the State Department yesterday refused to discuss the charges.

The left-wing Sandinista Government believes that the U.S. is deliberately trying to push the country into war with Honduras in order to *justify an invasion of Nicaragua.*

The counter-revolutionary offensive against Nicaragua, which is directed from Honduras where sever*al thousand former members of the* National Guard took refuge after the Sandinistas overthrew the Somoza dictatorship in 1979, has been stepped up in the last two months. And for the first time about 1200 guardsmen are officially said to *have penetrated Nicaraguan terri*tori y, and opened up seven small fronts in mountainous areas in the northern part of the country.

Senior Government officials do not believe that this new offensive poses a serious military threat to Nicaragua, although 262 people on both sides have been killed in the past seven weeks of fighting, and a further 144 wounded. The Sandinista army which is estimated to be at *least 20,000 strong and is well* armed, currently has the situation under control. The Sandinistas can also call on a 50,000-strong militia force.

The Government's main concern is that it will be provoked into invading Honduras to root out the guardsmen, whom it accuses of being financed and armed by the U.S. Central Intelligence Agency (CIA). Washington has not denied this charge, which has been supported by detailed U.S. press reports about the Administration's plans to "destabilise" Nicaragua. The U.S. accuses Nicaragua of funnelling arms to left-wing rebels in El Salvador.

Honduras, a close ally of Washington, in the region has become the springboard for attacks on Nicaragua's revolutionary Government. The Honduran airforce is rat*ed the best in Central America.*

The Nicaraguan Defense Minister, Sr Humberto Ortega, made it very clear this week that the San*dinista armed forces will at all costs* avoid crossing into Honduras.

Ecuador general strike

BY SARITA KENDALL IN QUITO

ECUADOR was virtually paralysed on the first day of a 48-hour general strike backed by trade unions, *chambers of commerce, transport* companies and teachers.

Public offices and schools were closed, and the few vehicles that *ventured out met with barricades* and bonfires on the roads.

The strike follows two days of violent protests against government economic measures to try and solve Ecuador's foreign exchange problems. A 21 per cent devaluation has been criticised from all quarters, and strikers are demanding the revocation of this and other monetary decisions considered by the Govern*ment to be essential for resched*uling the foreign debt.

The Government has been attacked by union leaders for "blind *obedience to the International* Monetary Funds." Some politicians have called openly for President Osvaldo Hurtado's resignation, and there have been threats to continue the general strike indefinitely, regardless of any danger to Ecuador's democratic stability.

Chile doubles import tariffs

THE Chilean Government in a sharp reversal of economic policy, has announced the tem*porary doubling of import tariffs* from 10 per cent to 20 per cent. **Mary Helen Spooner writes from Santiago.**

Announcing the change. Sr Carlos Cáceres. Finance Minister, said there would be a crackdown on black market foreign exchange operations. The measures have ben taken to ease pressure on the balance of payments.

The Finance Minister pre*dicted Chile's trade surplus* this year would reach $1bn up from $200m this year. Sr Cáceres said the official values of the peso was 75 to the dollar earlier this week.

Mexico GNP falls

Mexico's Gross National Product declined by 0.2 in real terms in 1982. **Reuter reports from Mexico City.** Sr Silva Herzog, Finance Minister, said Mexican's standard of living was dropping for the first time in 40 years.

The country's central bank said that the fall in production indicated the seriousness of the economic crisis which was *marked by high inflation,* restructured foreign credit and flight of capital.

Car industry surplus

WHAT Canadian officials once complained were the dinosaurs of the North American car industry have given the industry a record C$2.85bn (£1.5bn) car products trade surplus with the U.S., **Victor Mackie wirtes from Ottawa.**

The 1982 surplus reported yesterday by Statistics Canada was the first since 1972 and only the third since the car pact was signed in 1965.

Jamaica-IMF accord

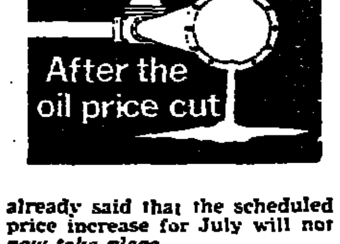
JAMAICA says it has reached an "understanding" with the International Monetary Fund (IMF) on continuing a loan programme, **Canute James reports from Kingston.**

At one stage it seemed that Jamaica would reconsider *its* patricipation in the three-year programem of $650m. The final year begins next month.

Nicholas Hirst, in Toronto reports on a row between state and federal government

Canadian energy price battle looms

THE CUT in world oil prices is threatening a new political battle between Canada's main oil producing province of Alberta and the Federal Government of Prime Minister Pierre Trudeau.



At stake are political promises, federal and provincial revenues and the prosperity of the Canadian oil and gas industry.

The Federal Government built its national energy programme, *the cornerstone of its industrial* strategy announced in October 1980, on the expectation of a sharp medium term rise in *world oil prices.* The changes in the oil market in the past two years have made a mockery of the assumptions on which the policy was based.

After a 12 month battle over revenue-sharing, Alberta and the federal Government agreed in September 1981 to allow the price of domestic "old oil" already in production to rise in stages to reach 75 per cent of the estimated world oil price in *mid-1986.*

But stagnating world prices meant that the ceiling was almost reached in January this year. Under the complicated *pricing formula* last week's cut by the Organisation of Petroleum Exporting Countries (Opec) will almost certainly push domestic prices over the limit in the second half of this year.

Mr Jean Chretien, the Canadian Energy Minister, has already said that the scheduled price increase for July will not now take place.

The federal Government says that under the agreement domestic prices should be rolled back to maintain the 75 per cent limit. Mr Peter Lougheed. Alberta's Prime Minister, says however that no such agreement was reached. He is launching a nationwide campaign to persuade Canadians that the prices should not be rolled back.

Alberta would like the agreement changed to remove the ceiling altogether, a move strongly supported by the oil *industry and the federal* Conservative Opposition spokesman, Mr Harvie Andre.

At a recent meeting. Mr Trudeau and Mr Lougheed agreed to "reassess" their oil pricing accord in the light of Opec price cuts. Mr Chretien has said the two governments "may be forced" to make changes in the deal.

For Mr Trudeau it is a tricky political problem. His promise *to shield Canadians* from the full price of world oil helped him win the 1980 election. To renege on that promise now could be damaging, but it is argued in some quarters in Ottawa that it would be easier *politically to move to* world prices now than at any time

On the one hand, if domestic prices are not rolled back Canada which is already suffering from a relatively high inflation rate, will not get the same benefits as competitor countries. On the other, if it allows prices *to fall it stands to lose* heavily on oil revenues.

Mr Marc Lalonde, the Finance Minister, has estimated that a $5 price cut will push the budget deficit this year above the C$29bn (£15.6bn) previously estimated.

In 1981. Ottawa estimated that the 1981 price and revenue sharing agreement would produce C$214bn in revenues over a five year period for the two *Governments. Latest estimates* are that total revenues will be only C$133bn. Lower oil prices, however, as Mr Lalonde has *pointed out,* could lead to a speedier economic recovery bringing in increased revenues from other sources.

The oil industry is warning that a drop in oil prices could damage its recovery, which would in turn damage Alberta's prospects. After years of surplus, the province is running a budget deficit this year and is likely to borrow on international markets.

Mr Jean Chrétien

*Increased taxes and discrim**ination against foreign-owned* companies under the National Energy Programme hit the oil industry just as the world market was turning down and interest rates were rising. Two synthetic fuel projects worth around C$15bn each and expected to provide much-needed employment, were cancelled. *Drilling dropped sharply* and the effects rippled through the economy.

The federal Government has a problem of its own with gas prices. Under the 1981 agreement with Alberta, the price paid to the producer was to rise by 25 cents every six months. There is no ceiling on the increases, but the federal Government promised to keep the cost to domestic consumers at 65 per cent of the equivalent heat value of crude oil.

To keep that agreement, the federal Government has already had to reduce excise taxes at a cost of C$440m in 1983-84. A reduction in the domestic price of oil would lose the Government *more revenue, unless it* renegotiates with Alberta.

At the same time, Alberta would like to alter the price structure of gas exported to the U.S. at a fixed price of U.S.$4.94 per 1,000 cu ft. That price is considerably higher than most domestic gas in the U.S., and Canada is presently exporting only *half* the volume authorised by its National Energy Board. Discussions between Alberta and the *federal* Government have centred on offering some gas *at a discount to increase sales.*

So if the federal Government *wants to take them, there are* negotiating possibilities. In return for changes in both the domestic and export gas *formulas, the federal* Government could alter its pricing formula for oil. Much will depend on what is seen as politically expedient. There are few potential votes for Mr Trudeau's Liberals in Alberta where the federal Government is *already deeply unpopular.*

'Ditchley Institute' decision near

BY WILLIAM HALL IN NEW YORK

CANDIDATES to head the new Institute of International Finance, set up by 35 of the world's biggest *commercial banks,* and plans to extend membership to several hundred banks around the world, will be discussed at *a board meeting of the new* institute in Zurich today.

Mr Bill Ogden, who retired as a vice-chairman of Chase Manhattan earlier this year, will chair the three-day meeting in Zurich.

However, bankers believe it is *unlikely* that *Mr Ogden will* take on the top job at the new institute since a European banker or civil servant would be politically more acceptable.

The institute, set up following a meeting of bankers at *Ditchley Park in the UK,* has been dubbed the Ditchley Institute.

Its intention is to promote a better understanding of international lending transactions by improving the availability and quality of financial and economic *information* of major borowing countries.

The institute will co-operate with borrowing nations to *promote the collection and* dissemination of information concerning their financial situations, development plans, economic policies and existing and prospective foreign exchange obligatinos.

The meeting *in Zurich follows* eariler meetings in New York and Washington and will be primarily concerned with defining the area of operations of the new institute, finding a chief executive and staff and extending membership to several hundred banks.

The new institute has received official support from organisation such as the Bank of England, but some bankers are still sceptical about its usefulness.

Move to set up Europe, Latin America centre

BY OUR FOREIGN STAFF

THE EEC Commission has *formally* asked the *Council of* Ministers and the European Parliament to back the creation of a Europe-Latin America Institute. The move is aimed at strengthening relations between Western Europe and Latin America.

The institute, which is to have one office in Europe and one in Latin America, will serve as an information centre and organise conferences and seminars on economic, financial, cultural and political issues of interest to the two regions. It also plans to carry out research and produce *a regular publication.*

The European members of the council are expected to include the Duke of Suarez, the former Spanish Foreign Minister, and Mr Graham Greene, the British novelist.

The management committee is headed by Dr Dieter Oldekop of *the EEC delegation in Caracas* and includes Sr Alan Wagner of the Peruvian Foreign Ministry; M Alain Rouquie, the French political scientist; and Mr Hugh O'Shaughnessy, Latin America correspondent of the Financial Times.

OVERSEAS NEWS

Harare deports correspondent

BY MICHAEL HOLMAN IN HARARE

MR NICK WORRALL, Harare correspondent for the UK's Guardian newspaper, was last night declared by the government to be "an enemy of the people of Zimbabwe," a move which amounts to an effective de*portation order.*

The Government has also withdrawn Mr Worrall's accreditation and declared him to be an undesirable person. Under the emergency powers legislation the property and assets of a person declared an enemy of the state may be confiscated.

Mr Nathan Shamuyarira, Information Minister, announced the move after a series of reports by Mr Worrall on military brutality in the Matabeleland province during action against armed anti*government dissidents.*

Mr Shamuyarira said Mr Worrall "went out of his way to give credence to allegations he knew were unfounded."

Mr Holger Jensen, the Johannesburg-based correspondent for Newsweek magazine was *last month* banned from Zimbabwe after his report on brutality in the province was published. Resident and visiting foreign correspondents have, however, all filed reports suggesting that more than 1,000 civilians were killed and *others maltreated* in operations conducted by the North Korean-trained Fifth Brigade.

Mr Shamuyarira's statement began by referring in particular to a series of three articles published in The Guardian by their correspondent, Nick Davies.

Church affirms tough line in Philippines

BY EMILIA TAGAZA IN MANILA

THE influential Catholic Church in the Philippines has called for an end to the shipment of arms to the Philippines from foreign sources. The call, from Cardinal Jaime Sin, the head of the church hierarchy, comes as Philippine defence officials prepare for negotiations with the U.S. on the military bases agreement between the two countries.

Under the bases agreement, the U.S. maintains two major military installations in the Philippines in exchange for military and economic aid. The agreement *expires in 1991,* but a review has been scheduled for next month.

Cardinal Sin, in the first definition of the church's stand on the country's defence policy, said that military aid from industrialised countries came in the form of weapons which were often used to "slaughter our own countrymen."

"*We do* not *deny* the need for subsidies from the First World but they should come in the form of educaional aid," he declared.

Apart from the amount received for the use of the bases, the Philippines government may receive an additional *$149m in military and economic* aid from the U.S. President Ronald Reagan has asked Congress for $101m in military aid *and $48m in economic aid for* the Philippines to guard against what he referred to as an increasing Communist threat to the country.

The heated conflict between church and government is meanwhile taking a further twist as Cardinal Sin *tries to enlist* the support of another equally powerful group—the private business community.

Various business groups have been showning signs of dissatisfaction over the government's business and economic policies. If Cardinal *Sin secures their* support the church-private business alliance could become a formidable force for moderation in relation to President Ferdinand Marcos' administration.

Cardinal Sin yesterday chose the Makati Business Club, a prestigious group of executives from major private corporations, as the venue for a call to the business sector. He challenged the businessmen to join the church in the task of establishing a mature political and economic order in the country.

"*Too long have we in the* church and you in business gone our separate ways, thereby diluting our respective contributions to nation-building," Cardinal Sin said.

The church in the Philippines has been an effective opposition force against the 17-year-old Marcos regime because it is the only group whose influence extends to most corners of the archipelago. It commands the following of more than 40m Filipinos out of a total population of 50m.

Other opposition groups have proved to be weak and easily out-manoeuvred by President Marcos. The legal opposition parties are beset by internal intrigues, with their leaders *more preoccupied with their* personal prestige than with their party platforms.

While the outlawed Com*munist Party of the Philippines* and its guerrilla army has gained sympathisers in the rural areas, it is doubtful that it *can muster nationwide* political support—Filipinos remain staunchly anti-Communist.

It is against this background that private business executives and associations have come out with criticisms of the Government's economic policies and *have secured popularity within* the local business community. Among the leaders are heads of two of the country's largest corporations, Mr Enrique Zobel and Mr Jaime Ongpin.

Mr Zobel, the Makati Business Club's chairman and President of Ayala Corporation, the large property and banking conglomerate, has censured the state's pursuit of such heavy industrial projects as an integrated steel mill and an aluminum smelter. These are among the 11 industrial projects designed to shift the country's industrial structure away from import-substitution.

Mr Ongpin, president of Benguet Corporation, one of the country's biggest mining firms, *is the brother of Mr Roberto* Ongpin, the Minister of Trade and Industry and one of President Marcos' most powerful advisers.

Jaime Ongpin has attacked the state programme of rescuing financially distressed firms, many of which were controlled by businessmen close to Mr Marcos. He said the move was saving companies which he described as "demonstrated incompetents whose only virtue is their connection with the powers that be."

The businessmen appear disposed to join forces with the church in the fight to moderate Mr Marcos's policies. A club official told Cardinal Sin that the club might be able to lend support to the church's attempts at maintaining a dialogue with government representatives.

Mr Ongpin has defined the business sector's role in relation to the government: "If those of us in the private sec*tor who are in a position to help* solve our nation's problems do not lift a finger, the government by default will act alone and we will have no *right* to complain in the future if things continue to get worse instead of better."

The Philippines Government plans to cut its spending in 1984 to keep within its borrowing constraints and trim its budget deficit, Our *Manila* Correspondent reports. Mr Manuel Alba, the Budget Minister, has presented to the Cabinet a 1984 *budget ceiling of 57bn pesos* (£4.12bn), down from 65bn pesos planned for 1983. Under Mr Alba's proposal, the 1984 *budget deficit* will be reduced to 8.8bn pesos.

Mubarak anti-corruption drive strengthens his hold on power

BY CHARLES RICHARDS IN CAIRO

THE DECISION by President Hosni Mubarak of Egypt to sack two Ministers accused of complicity in frauds perpetrated by the Sadat family will go some way towards satisfying two aggrieved sections of the population: the poor and the religious fundamentalists.

The drive against corruption which led to the trial of Mr Esmat Sadat, brother of the assassinated former leader, is a response to the laisser-faire economic policies of Mr Anwar Sadat, which bred resentment.

Islamic militants found grassroots support from those who *were concerned that the influx* of Western goods was corrupting traditional values.

The Minister of Supply, Mr Ahmed Nouh, and the Minister of Industry, Mr Faud Abu Zaghala, were the highest ranking officials named during the trial in the Court of Ethics.

The court said that Mr Esmat Sadat had headed a "Mafia type" gang that had spread cor*ruption* throughout Egypt. During the years his brother was President, Mr Sadat was said to have risen from his job as a humble $80 a month bus driver to become a multimillionaire with a fleet of trucks.

The court made detailed allegations against the *Ministers,* accusing them of complicity in a massive series of frauds perpetrated by Mr Esmat Sadat. It said Mr Nouh had allowed one of Mr Sadat's sons to import rotten tomato paste and meat not slaughtered, according to Islamic precepts.

Mr Aba Zaghla, while he was head of the state-run Helwan iron and steel works, was said to have given another son a con*signment* of subsidised reinforcing iron which was then sold on the black market.

The court said that the Ministers bore a very great responsibility for allowing corrupt practices to flourish to the detriment of the ordinary people. It also named other senior officials including the heads of public sector companies and organisations as well as former Ministers and senior officials in various Ministries.

Mr Mubarak has ordered the dossier on the case be passed to the public prosecutor

He has also revived the Administrative Control Agency which was set up by former President Gamal Nasser to combat corruption within the Government. It became so riddled by corruption itself that President Sadat disbanded it, but Mr *Mubarak has now* appointed as its head a former Director of the Military Intelligence who has appointed new officers considered less prone to influence.

There had been speculation that the court's findings might lead to the sacking of the whole Government, but Mr Mubarak has contented himself with removing the two Ministers softening the blow by saying that they had commited errors of judgment, but *had* not benefited personally.

He is thus seen to be acting within the law. Mr Mubarak has stressed in the past, *with rather* more credibility than his predecessor, that no-one is above the law.

It is too early to say, however, whether the investigations into senior officials will be decisive. A few celebrated names, offered as an example to others may be enough, but President Mubarak also runs the risk that having opened up a can of worms, he may not be able to close the lid.

Mr Esmat Sadat during his trial

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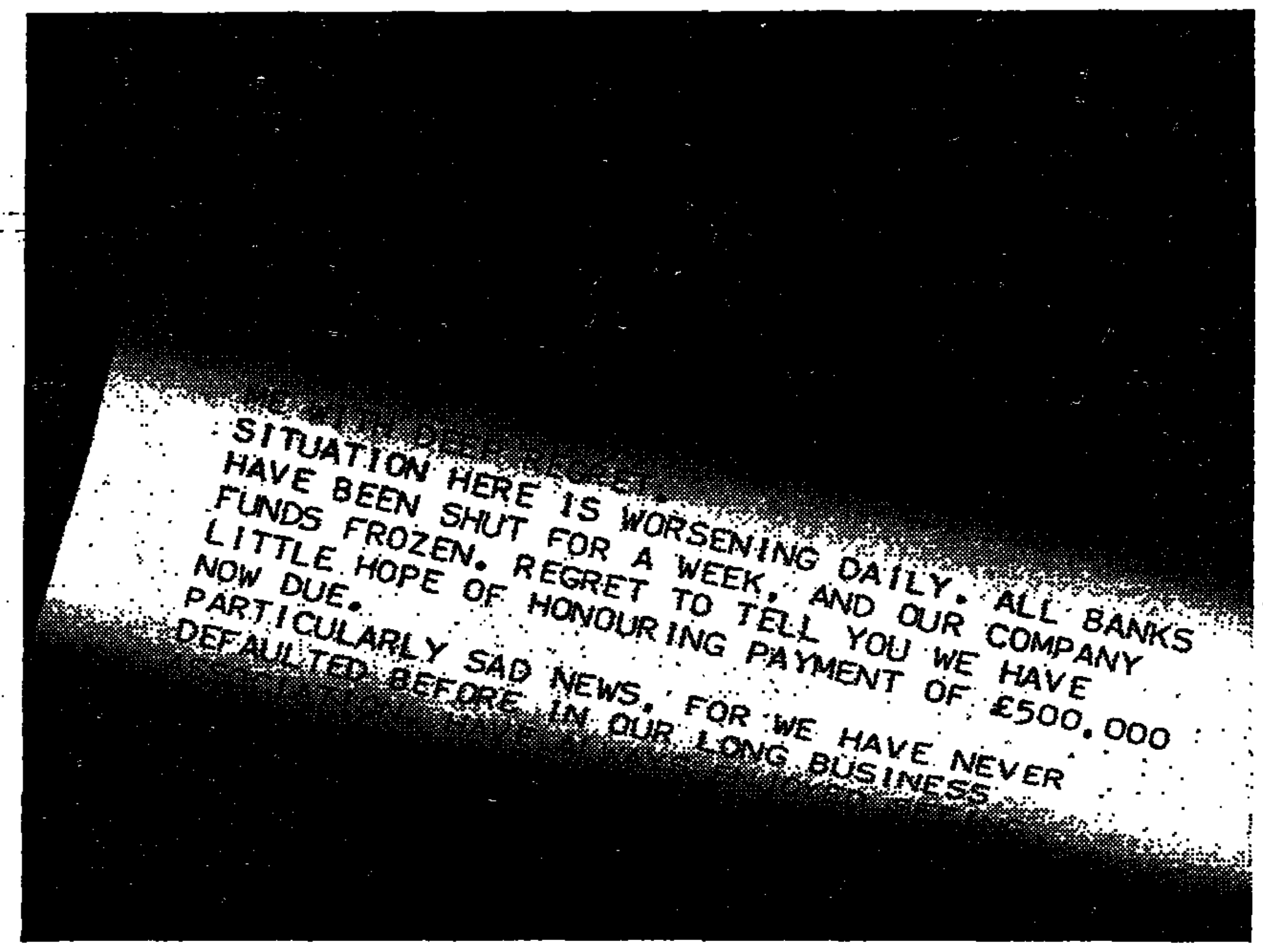

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Japanese seek ways to absorb losses on Singapore project

BY CHARLES SMITH, FAR EAST EDITOR IN TOKYO

THE JAPANESE promoters of a Y200bn (£560m) petrochemical project which is to open in Singapore in August have begun negotiations with the government of Singapore on ways to absorb the heavy losses expected to be generated by the project.

This was revealed yesterday by Mr Norishige Hasegawa, chairman of Sumitomo Chemical, the company which heads the Japanese consortium. Sumitomo apparently hopes that the Singapore project can regain viability as the result of a capital increase to which the governments of both Japan and Singapore would contribute. It appears far from certain that either country is ready to consider this idea.

The Singapore complex consists of a "flagship" company, The Petrochemical Corporation of Singapore, which will produce 300,000 tones of ethylene and 160,000 tonnes of propylene per year from a central naphtha cracking complex, together with three independent downstream companies.

PCS is jointly controlled by the Singapore Government and a consortium of Japanese private and public interests.

One of the major downstream companies is controlled by Phillips Petroleum, with a 60 per cent shareholding, and will produce 80,000 tonnes of high density polyethylene per year from raw materials supplied by Petrochemical Corporation of Singapore.

Bahrain cuts oil imports

BY MARY FRINGS IN BAHRAIN

THE VALUE of Bahrain's crude oil imports from Saudi Arabia fell by 26 per cent in 1982, from $2.48bn to $1.84bn, the Bahrain Monetary Agency reports.

At full capacity, the island's 250,000 barrels per day refinery takes 80 per cent of its feedstock by pipeline from Saudi Arabia, to supplement Bahrain's own dwindling production, which is currently running at about 42,000 b/d. But crude runs dropped as low as 150,000 b/d in the second quarter of the year.

Washington tightens up on 'illegal exporters'

By Nancy Dunne in Washington

FOUR COMPANIES in the U.S., France and Switzerland have been temporarily denied all export privileges by the Commerce Department which suspects them of "conspiring to export U.S. origin equipment illegally."

The equipment, consisting of $1.35m worth of integrated circuit manufacturing and testing equipment, used in computers and other high technology products, is believed to have been exported from the U.S. to Switzerland and then re-exported to an unauthorised destination.

According to the Commerce Department, the validated licences required to export the equipment were obtained without identifying its true ultimate destination and intermediate consignees.

The denial order named the following: Dr Etang Chen, an individual doing business as Eaton and Kings Corporation, an international trading company in Massachusetts; P. A. Randin of Neuchatel, Switzerland; Joseph Lousky, individual and doing business as Eler Engineering of Paris; and two Swiss companies, Favag of Neuchatel and Eler Engineering.

U.S. copyright law angers European printers

BY ALAN PIKE, INDUSTRIAL CORRESPONDENT

THE U.S. International Trade Commission will report in July on the economic consequences of removing what European printers regard as a blatant piece of discrimination from American copyright law.

Representatives of Eurograf, the EEC printing employers' federation, have been in Washington this week pleading the European case before the commission in the latest moves against the now famous manufacturing clause in the U.S. Copyright Act.

The clause grants American authors copyright protection only if their work is printed in the U.S. It had been expected that it would be repealed last summer, but Congress overturned a Presidential veto and extended the legislation until 1986. This followed a powerful campaign by the U.S. printing industry, motivated partly by fears of a flood of imports of printed works from the Far East.

Although the clause dates back to 1891, its importance has grown in recent years as printing and publishing have become increasingly international activities.

The U.S. Department of Labour has estimated that employment opportunities would decline by between 170,300 and 366,500 jobs if the clause were repealed. This has been described by the British Printing Industries Federation—because of the common language UK printers are particularly affected by the clause—as "preposterous."

In Washington this week Mr Alan Tyrrell, Conservative member of the European Parliament for London East who represented Eurograf before the commission, challenged the basis on which the U.S. job losses had been estimated. He suggested that the Department of Labour "misunderstood either the nature of the industry it was assessing or the effect of the clause."

EEC printers say they are particularly angry at the suggestion of big job losses in the American printing industry since, when an attempt was launched under the Gatt procedure to compensate the EEC for loss of trade because of the clause, U.S. officials played down its importance.

Mr Tyrrell told the commission that Eurograf considered that estimates of likely levels of penetration of U.S. markets by imports, if the clause were lifted, as also unrealistic. These, he said, were apparently calculated largely by analogy with the UK market, where British publishers place an estimated 25 per cent of work overseas in total value terms.

But, said Mr Tyrrell, British publishers sold up to 40 per cent of their output overseas so that wherever they printed they had to ship large numbers of books to other countries. U.S. publishers, by contrast, exported less than 10 per cent.

The U.S. also had an efficient and competitive papermaking industry which supplied 94 per cent of the domestic market, while the UK imported more than 50 per cent of its printing and writing needs.

The EEC in general imposes no restrictions on imports of books. But in the long saga over the manufacturing clause, U.S. printers have made much of one restriction in the UK — the Authorised version of The Bible may be sold in England and Wales only if it is produced by one of three printers licensed by the Queen.

EEC-Turkish textiles talks

BY METIN MUNIR IN ANKARA

A FRESH attempt is afoot to resolve the question of Turkish textile exports to the European Economic Community. A delegation representing Turkish knitwear manufacturers and exporters visited Brussels yesterday for talks on restrictions imposed on Turkish tee-shirts and cotton cloth exports to the Community.

On Monday the Turkey-EEC Association Council, comprising Turkish and Common Market Ambassadors in Brussels, will convene to deliberate the same subject. The talks are being held at the invitation of the Community.

The Community wants to conclude a long-term textile agreement with Ankara under which Turkish textile exports to the Community are restricted. Turkey's textiles industry has great export potential; Brussels fears it might flood the Community.

So far no compromise has been achieved and both sides have issued restrictions and levies. The Community has recently imposed a quota of 3.6m tee-shirts and 12,000 tonnes of cotton cloth from Turkey between March 9 and July 15 this year.

The chances that an agreement might come out of the current round of talks seems to be slim.

"We will propose a quota of 50m to 60m tee-shirts a year," said a member of the Turkish delegation. "Anything lower is not acceptable." An EEC official said: "With great difficulty we might agree to 20m."

Importer attacks UK move against S .Korean cars

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

THE IMPOSITION by the EEC of import duties on cars from South Korea, a move sparked off by Britain, was "immoral," according to Mr Robert Edmiston, chairman of the International Motors Group which imports Hyundai cars from Korea to the UK.

As a developing country Korea previously paid no import duty. But in January the EEC imposed duty of 10.5 per cent on cars after an initial duty-free 10,000 a year have been imported. Under the terms of the quota system, cars entering the UK pay duty after the first 2,500.

Mr Edmiston claimed yesterday this would add £300 to £400 to each car at the retail level compared with the current prices which range from £3,296 to £3,999

The Hyundai Pony went on sale in Britain for the first time in February last year and in 1982 some 3,510 were sold. Mr Edmiston hoped for sales of 6,000 this year but says the duty imposition will probably make that an impossible target.

He pointed out that over the past ten years (1972-81) the balance of trade between Britain and South Korea was substantially in the UK's favour with a surplus of £80m.

The Hyundai group had imported many millions of pounds worth of British equipment and automotive components and car kits. "Yet in the first year in which Korea exported cars to the UK they have been pounced on. This may have been palatable if it was a general EEC move, but when one considers it was instigated by the UK then it can only be described as immoral."

Ironically, Mr Chung Se Yung, president of Hyundai and since 1978 chairman of the Korean-British business committee, has just been presented with an honourary CBE by the UK Government for his work "to maintain and expand the links between Hyundai, which is among the chief importers of British goods in Korea, and the UK."

Mr Edmiston said: "It would seem they have patted the president on the back with one hand and slapped his wrist with the other.

"I believe that in the long term Britain will lose by this—we will push the Koreans more and more into the arms of the Japanese."

Orders decline forecast for Japan's shipyards

TOKYO—A Transport Ministry advisory group has predicted a further decline in orders for new ocean-going ships and said Japanese shipyards will be operating at 50 per cent of current annual capacity of 6.2m CGRT (compensated gross registered tonnes) in the year from April 1 1985.

The shipbuilding countermeasure section of the Shipping and Shipbuilding Rationalisation Council in a report to the Minister called for continued restrictions on construction of new facilities and expansion of yards.

Its report, released to the Press by the Transport Ministry, also said the Minister should advise major shipbuilding companies to reduce operating levels.

The Ministry said that Transport Minister Takashi Hasegawa, in response to the report, does not plan to authorise new shipbuilding facilities or expansion of existing yards after the expiry in June of the Structural Recessive Industry Stabilisation Law, which helps industries to dispose of unwanted facilities.

Meanwhile, Sanko Steamship of Japan said yesterday it is asking more than 10 Japanese shipyards to submit estimates for bulk carriers and other vessels under a long-term programme to renew its merchant fleet.

● The state-owned Shipping Corporation of India (SCI) plans to buy 43 ships totalling 778,000 gross register tons (GRT) by 1984 at a cost of 6bn rupees, an SCI official said in Bombay.

SCI has already begun placing orders for the ships—12 tankers, 18 offshore supply vessels, two product carriers and 11 bulk carriers. One deal to buy eight tankers worth $200m from Hyundai Shipyards of South Korea has been completed, the official said.
Reuter

BRITISH DEFENCE CONTRACT

Chinese political row leads to loss of order

BY COLINA MACDOUGALL

THE BITTER row within the Chinese leadership which apparently led to the cancellation of Peking's biggest ever defence deal with the west—a £100m contract with a British consortium—has renewed fears among diplomats and businessmen that Peking is again proving to be an unreliable trading partner.

The cancellation of the deal to refit Chinese navy destroyers with Sea Dart ship-to-air missiles is likely to be raised with the Chinese Minister of Foreign Economic Relations and Trade, Mme Chen Muhua, who arrives today.

The consortium, led by British Aerospace and Vosper Thorneycroft, signed the contract last November subject to ratification by the Chinese Government within a fixed period of time. The period expired last month, rendering the contract invalid.

It is understood that a British Aerospace representative in Peking was set to sign the deal, only to be told at the last moment that it was off.

The Chinese reportedly said they were not prepared to go ahead with a deal of such a size and complexity. Chinese officials in London say Peking had decided to devote more money to improving living standards rather than defence.

British officials are claiming that the real reasons for the collapse of the deal could be renewed rapprochement with the Soviet Union. China's present naval defences are quite adequate to protect its coasts and offshore oil industry, while sophisticated weaponry would only be needed to counter a Soviet Pacific threat.

Mme Chen Muhua: arriving in London today

The new defence minister, Zhang Aiping, appointed in December, published an article in the party journal Red Flag at the beginning of March stressing self-reliance. It is possible that the Chinese again are trying to revert to a programme of technological self-sufficiency—at least in the military field.

Zhang is also believed to feel that if there is a Soviet threat to China it is more likely to come from the north than down China's coast.

There do not appear to be any commercial reasons why the deal has collapsed. The Chinese had a favourable balance of trade last year and currently maintain healthy foreign exchange reserves.

Whatever the reason, the impression remains that when the Chinese sign contracts they no longer regard them as binding.

Prior boosts Ulster on five fronts

BY ANTHONY MORETON, REGIONAL AFFAIRS EDITOR

A FIVE-POINT plan to revitalise Northern Ireland as an industrial centre was revealed in the House of Commons yesterday by Ulster Secretary Mr James Prior.

Mr Prior said it would make Ulster the most attractive area for industrial investment in Europe "and possibly in the Western world."

He admitted afterwards that the incentives were intended to counter the attractions offered by the Irish Republic. "We are trying to get a better balance between what we can offer and what they do offer."

The initiative comprises:

● A corporation tax relief grant of up to 80 per cent for new projects;
● 100 per cent de-rating of industrial premises in place of the present 75 per cent relief;
● A 30 per cent grant for approved energy conservation projects;
● A grant-aid scheme to help companies attract good management;
● An advisory service on production methods and processes.

Mr Prior said the package had been introduced in response to requests from the people of Northern Ireland.

It was immediately welcomed by Mr Richard Gordon, regional director of the Confederation of British Industry, who said the corporation tax relief grant was "terrific." The package put the sugar coating on Ulster's incentives and the only thing that remained was to put right the province's image abroad.

Sir Desmond Lorimer, chairman of the Northern Ireland Industrial Development Board, which had urged Mr Prior to act, said the measures would provide a potent weapon to improve the economy.

De-rating and the energy scheme will cost the Government £9m a year. Mr Prior said the cost of the tax relief grant would depend on the extent to which it was taken up.

In any case, "there will be little effect on public expenditure in the first years after its introduction."

The Irish Republic had, he admitted, "been able to put rather more attractive terms into the shop window than we could. Now we can offer at least as favourable terms."

He did not intend to go immediately to the U.S. to sell the package,

Air losses worst on record for insurers

By Michael Donne, Aerospace Correspondent

AVIATION insurance losses last year totalled about $290m – the worst figure on record. The present year is also expected to be a difficult one.

Mr Ivor Purdue, retiring chairman of the Aviation Insurance Offices Association, said in his annual report yesterday, that 26 Western-built jet aricraft were total losses, last year at a cost of about $240m. This compared with 12 total losses in 1981 amounting to $123m.

In addition, major partial losses accounted for a further $50m, making the record total of about $290m.

Mr Purdue said that "while 1982 has turned out to be an expensive year, it is more typical of the experience we must come to expect rather than the 1981 year which had so few losses."

Last year three wide-bodied airliners were destroyed, accounting for about half the cost of all the losses, at $118m. But of the overall total of 26 airliners destroyed, six were "war losses," two Boeing 707s and four Boeing 720s, destroyed or damaged beyond repair during the fighting in Beirut

HUMPHREYS AND GLASGOW IN £10M TAKEOVER

Enserch buys engineering group

BY DAVID DODWELL

ENSERCH CORPORATION, the U.S. oil and engineering group, yesterday confirmed its agreed takeover of Humphreys and Glasgow, a privately-owned British process engineering group. The sum to be paid was not disclosed, but is understood to be about £10m.

The purchase comes just three weeks after announcement that Enserch has bought a 50 per cent stake in Losinger, Switzerland's largest construction company. It forms part of the groups expansion plans in Europe, and particularly in the areas of engineering and construction.

Enserch mounted a £143m bid for Davy Corporation two years ago which collapsed after the Monopolies and Mergers Commission vetoed the deal.

The Humpreys and Glasgow acquisition, which will also have to be approved by the Monopolies and Mergers Commission, marks a watershed for the 92-year-old British company, which has been run since 1939 by Mr Ambrose Congreve.

It will exchange the anonimity of a private company for that of a small and consolidated unit in a giant that had 1982 revenues of $3.8bn.

After a decade of unrelenting difficulties – Humphreys and Glasgow have reported losses in six of the 10 years to March 1981 – managing director Mr Frank Edwards talked of the takeover as offering "a rich future."

In the 1960s, Humphreys and Glasgow counted itself among the world's largest process plant contractors, not far behind names like Davy and Snam-Progetti.

But with increasing competition for a dwindling number of orders worldwide, the private company was facing increasing difficulties in competing for multi-million dollar orders.

In recent months, Mr Congreve has approached several possible buyers – including Costain, Mowlem and Simchem, a subsidiary of Simon Engineering.

Racal-Milgo appeal

BY GUY DE JONQUIERES

RACAL-MILGO, the UK data communications subsidiary of Racal Electronics, plans to try to take to the House of Lords a legal dispute arising from patent infringement allegations brought by Codex, part of the US Motorola group.

The Appeal Court refused Racal-Milgo leave to appeal to the House of Lords on Monday after upholding a decision made in July 1981 by the High Court in favour of Codex. Racal-Milgo has two weeks from last Monday to petition the House of Lords for leave to appeal against the Appeal Court's ruling.

The case concerns devices called modems, which are widely used to connect computer equipment to telecommunications networks. Codex contends that high-speed modems sold in the UK by Racal-Milgo infringe Codex patents.

The courts have ordered Racal-Milgo to pay Codex the net profits from sales of the modems since they were first sold in Britain in the mid-1970s.

Racal-Milgo has also been ordered to hand over to Codex all modems in its possession, which infringe the patents, to commit no further patent infringements, and to pay all Codex's legal costs.

Sturla three stand down

BY DAVID DODWELL

THREE DIRECTORS appointed two weeks ago to the board of Sturla Holdings, the beleaguered finance group, resigned yesterday "in view of the background of the company's affairs that have recently come to light."

Share dealings in Sturla Holdings were suspended last Friday, with the company predicting announcements on board changes, publication of long overdue profit and loss figures and details of a loan to a UK company

The decision of the three directors, who accepted nomination in unusual circumstances at a swiftly convened board meeting two weeks ago, was made on Tuesday after a boardroom upheavel became public.

On Monday, injunctions were being sought against Mr David Britton, the company's managing director, by chairman Mr Robert Knight, aimed at preventing him from calling an extraordinary general meeting.

Mr Britton had sought a shareholder's meeting because he was concerned at the sudden way the new board members were appointed, and wanted shareholders and creditors to be aware of the change and approve it.

Director appears on fraud charges

By Mary Ann Sieghart

MR ROBERT KNIGHT, chairman of Sturla Holdings, appeared in the Guildhall magistrates' court yesterday facing charges of conspiracy to defraud the company.

Mr Knight and his personal assistant Mrs Rhonda Sue Davis, have been charged with "conspiring with others between January 1, 1981, and March 19, 1983 to defraud Sturla Holdings by dishonestly causing funds belonging to the company to be paid for their own or another's use, and the dishonest appropriation of the assets of Sturla with the intention of deceiving the company and its shareholders."

Mr Knight, 47, was charged on March 4 with conspiring to defraud financial institutions by dealing in fraudulent Eurobonds.

At that time, he was remanded on conditional bail worth £40,000 until May 10. Yesterday, another £30,000 bail was imposed on condition that he does not contact witnesses, does not enter Sturla's premises in South Audley Street in London, surrenders his passport, reports daily to Marylebone police station, and continues to live in his flat in Weymouth Street, in London.

Vauxhall in final bid to lift import bar

BY DAVID GOODHART

FURTHER assurances on job security will be put to a meeting of the 6,000 workers at Vauxhall's Luton plant tomorrow morning in a final attempt by the company to persuade the workers to lift the proposed import ban on the "S" car.

National and local union officials are recommending acceptance of the latest package which clarifies a number of points relating to redeployment of staff from commercial vehicle to car production.

But it is not certain that the Luton workers will accept the amended package, having thrown out similar proposals earlier this month. The proposals were, however, accepted by the Ellesmere Port plant which will not be voting again.

The company has previously said it would not import the "S" car until agreement had been reached with the unions, but if Luton rejects the latest assurance it may not hold.

At a meeting in London yesterday between union officials and senior management, the company reiterated its commitment to raise output in the UK with a second shift at Luton and Ellesmere Port.

The company also gave specific assurances to Luton workers about maintaining pay rates and redeploying staff. It also repeated the general assurance that if sales drop imports will be cut back before UK-produced vehicles.

● More than 100 security and fire guards joined the two week-old strike at Ford's Halewood plant yesterday despite an overwhelming vote on Monday to work normally.

They walked out after it was made clear that the dispute had received official backing from the Transport and General Workers' Union.

There are now growing fears that the strike, which centres on the dismissal of a worker for alleged vandalism, could force lay-offs at other plants.

Ford's chiefs will think hard before letting Halewood go

BY BRIAN GROOM, LABOUR STAFF

SPECULATION that Ford may close its strike-dogged Halewood body and assembly plant on Merseyside seems set to reach new heights. Much of it, however, ignores the immense obstacles to such a course of action.

Ford carefully points out that Halewood's future will not be decided by a single strike.

Closure appears not to be under immediate consideration, and a decision to shut the plant is believed to be unlikely before the Escort, currently produced at Halewood and Saarlouis, West Gemany, is replaced in four or five years' time.

Ford is not actually promising to keep Halewood open. Mr Bill Hayden, Ford of Europe's vice-president of manufacturing, recently made clear that its future depended on the workforce's ability to deliver higher productivity.

He said: "If we meet our objectives there is no reason the plant should not be in business for the Escort's successor and for its replacement, but that is a big if."

Speculation, nevertheless, will continue – some of it by highly respected figures.

Professor Krish Bhaskar, of East Anglia University, a leading expert on the motor industry, has said that as the strike continues the possible closure is coming close to being a question of "when" rather than "if".

He said: "Ford has surplus Escort capacity at the moment and they may not wait for the investment decision on the Escort replacement."

Ford, however, denies it has surplus capacity, and so an early decision to close seems unlikely.

The Escort replacement is the critical point. Professor Bhaskar said: "At that point they may well decide to either close Halewood and live with the consequences of smaller capacity in Europe, or switch from Halewood to Portugal."

Professor Bhaskar's recent report on the industry predicted that by the mid-1980s Ford was likely to be short of capacity to meet its target of producing 13 per cent of European car sales.

If sales did not reach these expectations, however, the logical action would be to close a higher-cost plant, probably Halewood. Ford's share of the European car market last year was provisionally 12.4 per cent.

Ford's recently-proposed $1bn investment in a Portuguese assembly plant isnow in doubt, and in any case would have been a speciality car mainly for the U.S. market.

The problem with transferring abroad is that Ford would not only be writing off massive fixed investment at Halewood – because the plant would be virtually impossible to sell – but it also would encounter all the problems of reducing its presence as a producer in the European country in which it sells the most vehicles.

Ford last year imported 48.5 per cent of the cars it sold in the UK, and a closure which increased that figure would lead to a political row.

This might not affect Ford's decision, but the company would be worried about the effect on its sales of consumer loyalty to home-built vehicles.

Consequently, it is possible that Ford could decide to close Halewood and make the Escort replacement in a part of Britain with a better strike record. Yet it would still have to contend with the UK's generally low productivity, and would forgo the advantages which a lower-wage country such as Portugal would provide.

Ford is currently trying to avert such a decision by improving productivity at Halewood.

It is, therefore, bitterly disappointed by the prospect that, once the current assembly workers' strike ends, body plant workers are threatening to strike if the company imposes improved working practices associated with 1,300 voluntary redundancies.

Shop stewards claim that 20 per cent of the changes come under the national After Japan package on which agreement was not reached last year, and involve a breakdown of demarcations between craft and non-craft workers such as exists on the continent and Japan.

Ford vigorously denies this. It says it merely wants more flexibility between, for instance, semi-skilled workers, already provided for in national enabling agreements.

Halewood's productivity and strike record is awful. It takes about six Ford workers at Halewood to produce one car in the time taken by three at Saarlouis and one at Toyota's Tsutsumi plant in Japan.

Concern over plan for steel link with U.S.

BY MARK MEREDITH IN EDINBURGH

THE PROPOSALS of the British Steel Corporation (BSC) to link the Ravenscraig works in Scotland with a U.S. steel producer were discussed yesterday between Mr Ian McGregor, the BSC chairman and Mr George Younger, the Scottish Secretary.

Mr Younger's comments in a radio interview after the talks, indicated considerable apprehension about the implications of the BSC proposal which would halve the Ravenscraig workforce of 4,300.

He said: "We're not going to buy just any deal. We want to find something that's got some security *in it and generally is worth having.*"

Mr MacGregor's proposals are understood to involve a consortium with British Steel, the U.S. Steel Corporation, and Hamersley Ore of Australia. Under the proposals semi-finished steel slabs from Ravenscraig would be sent to U.S. Steel for finishing.

Mr Younger, however, is known to feel that shutting down finished steel production at Ravenscraig is against the spirit of last December's Cabinet decision not to close the *Scottish plant and keep Britain's* five steel mills going.

Questioned about the U.S. link, Mr Younger said: "The trouble is he hasn't got any proposals yet. And, as I say, he hasn't even got anything like a deal. It is very doubtful whether he will get one or not and when he does he will then have to come to me and (Industry Secretary) Patrick Jenkin and other Min*isters . . .*"

Mr MacGregor was right to look for new markets, Mr Younger insisted, but the Government would have to look at the volume pricing and duration of any proposal for Ravenscraig, as well as its implications for other plants.

Meanwhile, the Ravenscraig works announced record productivity. The March Scottish edition of Steel News said man hours per tonne reached 4.595 in February.

Key elements in the trade union case for retaining the plant are its up-to-date facilities, improved productivity, and documentation of customer approval for *its finished* products.

European sales hope for television system

BY RAYMOND SNODDY

OPINION seems to be hardening in the European Broadcasting Union (EBU) in favour of adopting the British C-MAC television system as a European standard for direct broadcast satellite (DBS).

One committee of the EBU has recommended the British type of system for picture transmission and the Independent Broadcasting Authority (IBA), which developed C-MAC hopes that the annual meeting of the EBU in Copenhagen in April will also decide in favour of the British system.

Although the EBU has no regulatory authority such a decision *would have considerable persuasive* force.

A top-level British delegation led by Sir Anthony Part, who produced an advisory report on technical transmission standards for DBS last year, is visiting all the main European television nations to lobby on behalf of C-MAC.

The two other members of the delegation are Mr Tom Robson, director of engineering at the IBA and Mr Bryce McCrirrick, director of engineering at the BBC. The team has visited Luxembourg and plans to visit France and Germany.

In his report to the Government, Sir Anthony decided that the IBA's C-MAC system was technically superior because its brightness and colour signals did not overlap, as they do in the PAL system which was advocated by the BBC.

Manufacturers in their evidence preferred the MAC system not only *because of its advanced technology* and far greater development potential, but also "for its profitable implications in Europe and further afield."

The Part committee concluded *that the technical superiority of the* MAC system was incontrovertible.

"The very fact that European broadcasters have not yet agreed on a common vision standard means that they are still open to conviction about alternatives," the committee said.

Sir Anthony is engaged in doing that convincing. One problem facing the general adoption of the British system *is the fact that both Britain* and France are offering alternative digital sound systems.

But the IBA believe the two might not be incompatible and that there may be room for compromise.

The BBC is due to begin direct satellite broadcasts in the autumn of 1986 up to a year after the French and Germans.

The IBA is still in negotiations *with the Home Office on* permission for commercial satellite transmission.

Ray Maughan looks at the official report on the downfall of a secondary bank

Bryanston's boom and bust

DEPARTMENT of Trade inspectors appointed to investigate the affairs of Bryanston Finance, a classic exponent of the 1972–74 property and secondary banking boom and bust, say Bryanston was the story of *abuse of position* by two men.

Bryanston was the umbrella organisation for National Union Bank, a secondary bank based in the Bahamas acting as a substantial lender to the property market, and *Amalgamated Industrials*, a holding company with several industrial subsidiaries.

Bryanston was effectively run by Mr Teddy Smith, formerly a hat*maker of Polish descent who*, the inspectors concluded, "was an old fashioned money-lender and secondary banking became the natural outlet for his energies." Mr Smith, now aged 72, lives in South Africa.

His opposite number, not least in temperament, was Mr Per Hegard a Norwegian who "appeared always to have been used to money."

Mr Hegard now aged 50 and living in Norway – ran the *industrial* side, while National Union Bank was Mr Smith's domain.

Their "abuse of position" is widely argued, not just by the *two inspectors, but by the directors them*selves and other parties.

The trial judge, who heard the case brought by the agent for Mr Hegard *in respect of expenses paid* to Mr Hegard and his wife by the company was even more critical.

Referring to their two homes, a fully-manned yacht, two jet aircraft, four Rolls-Royces, other cars, jewellery and many servants, Mr Justice Comyn said in 1981: "We now know that much of it was financed by Mr Hegard's skillful and often illegal *manipulating* of his *companies and trusts.*"

That action was brought in a case in that year in which Seton Trust attempted to recover jewellery, Faberge objets d'arts and other valuables from Mrs Elizabeth Hegard, Mr Hegard's third wife.

The investigation of the Bryanston group of companies, however, preceded that case by seven years. In 1974, an application by 265 share*holders in Bryanston was made to* the Department of Trade for the appointment of inspectors under section 164 of the 1948 Companies Act. Next year two inspectors were appointed.

There were several reasons for delay *in producing the* 396 page report. The DoT decided to broaden its inquiry to Bryanston's electronics subsidiary, *Derritron. Also, all the books and papers of the various* companies "were voluminous and also extremely disorderly."

The inspectors' report comments *on the years 1968-71 when* "bad habits developed and remained unchecked" and the boom years, 1971-73 in which Mr Smith was "unable to resist the temptation to indulge in property speculation and which culminated in Bryanston being over-extended."

At almost every stage, the inspectors are sharply critical. Bryanston was at best a marginal case for a *public listing but*, sponsored by brokers Rowe Rudd, a listing was duly accomplished.

The inspectors say: "It is an unhappy fact that almost every criticism made by Price Waterhouse, the group's auditors, prior to flotation remained well founded until Bryanston's collapse. Inadequacies of banking control, management and premises were all noted."

Price Waterhouse finally agreed to support the listing sponsored by Rowe Rudd because the accountancy firm felt that the appointment of two new non-executives would be of sufficient calibre "to act as a check on Mr Smith."

The non-executives were appointed very late before the flotation and never properly informed of the group's true position by Mr Smith or Mr Hegard. They therefore failed to do the job which the auditors had tacitly assigned to them, and their successors were similarly impotent.

Price Waterhouse, like the rest of the board, were similarly unable "to control Mr Smith." The firm resigned in 1974 *and the inspectors* also criticise the manner of its going.

The departure was set out publicly as by mutual agreement, but that was far from the case; Price Waterhouse was fuming but, rather than inform the incoming auditors of their disquiet, the firm said nothing.

"Had Norton Keen (the new accountants) been told the full story we think they would have refused the appointment," the inspectors say.

The list of points Price Waterhouse had prepared for Mr Smith at what was to prove their final meeting "reads like *an indictment*", the inspectors add.

That was hardly surprising. Bryanston had made the fundamental mistake of borrowing short and *lending long and was in dire straits.* Mr Smith, the DoT examiners *stress*, was quite unable to differentiate between his private and publicly-quoted interests while Mr Hegard the inspectors had concluded early on, was a "devious and unscrupulous man."

Proposals to clamp down on tax evasion

BY ROBIN PAULEY

WIDE-RANGING proposals to ensure that more individuals and companies pay their proper contributions in taxes, with particular emphasis *on the black economy and* moonlighting (second jobs), were published by the Government yesterday.

The plans are contained in the *first two volumes of the report by* the Committee *on* Enforcement Powers of the Revenue Department. The volumes deal with income tax, corporation tax, capital gains tax and VAT. Other taxes and duties being examined by the committee will be the subject of a third volume later this year.

The committee says the need for *reform* is underlined by the "extraordinary" fact that every year some 1.8m estimated assessments on trading profits are needed in the absence of timely returns, and that in 1.7m cases the associated appeal machinery is needed to force the production of tax returns and accounts.

The report recommends that every taxpayer should file a tax return at least once every three years and ideally every year, although the present 30 days allowed for returning the completed form would be extended to three months.

The report supports all the existing powers, however, and says they are used properly by the taxman, although more effort should be put into explaining to the taxpayers what was being investigated and why.

Enhanced safeguards for the public are recommended, *many of* which would turn departmental discretions into statutory rights for the citizen – getting photocopies of removed documents for example.

Among the recommendations are that trading taxpayers should be obliged to submit accounts in support of their declarations of taxable profit, and that every business be required to keep books to enable accurate returns of income and profit and should keep those books for at least six years.

Unions in pact with Labour

By John Lloyd, Labour Editor

THE Labour Party and the Trades Union Congress yesterday launched a pact laying the foundation for their claim to be "partners in rebuilding Britain." It is a partnership which both see as essential to victory at the next general election.

The pact would bring the unions into the centre of decision-making *right across the economy* through the medium of a national economic assessment; set up a new Department of Economic and Industrial Planning; and create new rights for workers to receive information, be consulted and take up to 50 per cent of the seats on company boards if they wish.

It envisages giving unions even more power than the arrangements which existed in the 1974-79 Labour Governments, and demands a corresponding measure of new responsibilities.

Mr Len Murray, TUC general sec*retary said it was "not a soft option* for trade unions."

He admitted that all unions were not yet ready for the tasks envisaged, and said: "The reality is we have a job to do to explain to union members the serious responsibilities they will take on."

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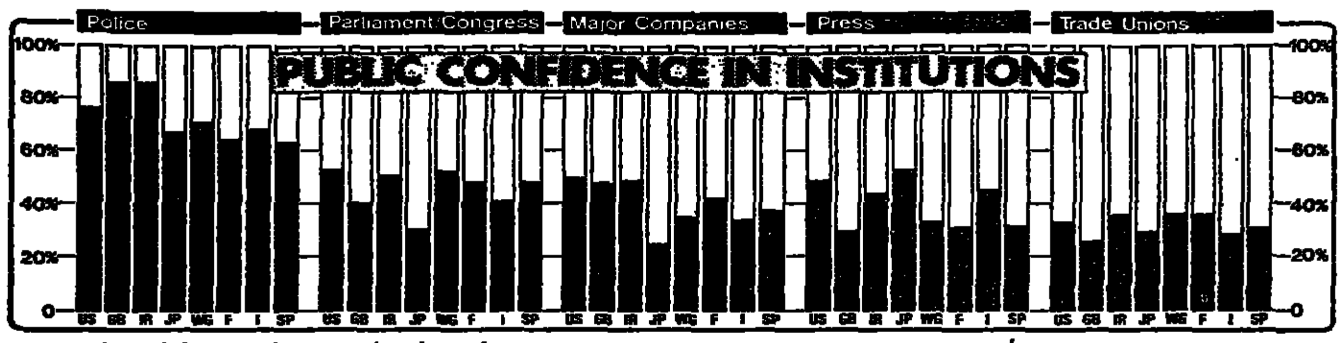
THE MANAGEMENT PAGE: Marketing

EDITED BY CHRISTOPHER LORENZ



Part of the research presented at the conference

An inspiring get-together

Antony Thorncroft on the Market Research Society's annual Conferance

IN STARK contrast to the navel gazing encounters of many previous years, the Market Research Society's annual conference in Brighton last week was notable for a much more outward-going and confident style of discussion—stimulated by the fact that market research is currently enjoying a boom.

A high percentage of the UK's 800 or so research executives attend the occasion, which helps to make for a more inspiring get-together than many a similar event, while the disposition of researchers to argue and to backbite leads to lively reactions to the numerous presented papers.

Some papers were of interest only to researchers; others contained nuggets of use to all marketing and advertising executives; a few addressed the general public. Most contained eyebrow raising facts. Here are some.

● Brooke Bond-Oxo's research into its leading brands makes disquieting reading for advertising agencies and the media. It concludes that it is product quality that creates consumer loyalty. Reassuring advertising is wasted on such committed buyers and more challenging advertising is needed to tempt peripheral users. The conclusion which is "perhaps irksome to the marketing man, but reassuring to us is that consumers are loyal to the products they like. While it is a matter of debate we feel advertising has less effect in creating loyalty than is generally accepted."

● Another leading advertiser to unlock some of its research findings was Cadbury, which has carried out advertising tracking studies on 250 brands in the chocolate market over five years. Its conclusion is, in contradiction to earlier research studies, that there is a connection between advertising awareness and the sales effectiveness of individual brands, at least in the confectionery market. Cadbury is starting to isolate the impact of advertising on a brand's sales—a campaign change for Cadbury's Flake is credited with increasing sales by 16 per cent.

● British Gas came up with findings which should enable companies to save on their market research budgets. It has discovered that it was able to settle for reduced response rates to its questionnaires without sacrificing the accuracy of the data. It saved £23,000 by going along with a 75 per cent response, as against its traditional 85 per cent requirement, and felt it could have got by with an even lower rate. British Gas also released figures showing the wide range of prices quoted by research companies when competing for the Corporation's research assignments. The maximum quote is invariably over two times the minimum.

● An area of research whose time has come is telephone questioning. Over 80 per cent of households now own a telephone and by organising telephone interviewing from a central location and employing sequential sampling techniques, research fieldwork costs can be much reduced. Ford uses the telephone to great effect by calling all customers of its cars within 30 days of their acquiring the vehicle. In this way it gets speedy and involved information about any product defects. It is now applying the technique to enquire about its competitors' quality standards.

● Notable for their absence this year were the big television companies, for which the most important single contribution of market research is the supply of audience figures, on the basis of which advertisers spend their multi-millions. There was no public airing about the problem of measuring TV viewing when the sets are more and more switched to video recording but some papers were of relevance to TV advertising. One covered the whole role of women in TV commercials and concluded that portraying them in more "realistic" commercials was unlikely to be a success. "It could have the effect of reducing the number of 'silly' commercials by increasing the number of 'boring' ones."

Two TV contractors produced papers in which their use of research was aimed at enhancing themselves: Television South West talked of its efforts to interest advertisers in the 750,000 holidaymakers who watch each week in its area during the summer, and TV South discussed how it changed its children's programme, "No. 73," after talking to viewers about its defects.

● Even more bizarre was a contribution by Business Decisions on how to develop creative ideas in new product development. One of its solutions had an obvious audacity: to advertise for people who considered themselves creative and encourage them to produce new ideas. Since new products need consumers it was a bright idea in its own right to get consumers to contribute the fresh thinking. A 20 strong creative panel of the public is now functioning.

New product development is a hardy annual at the MRS conference and this year Ross Foods told how it has developed 10 new products in two years (one element of the programme is to test every new product that appears in shops and restaurants each week—an average of 30).

In the same area Avon unveiled a technique, developed by Martin-Hambin Research, which enabled it to test 21 male fragrances (or flavours) at one session. This in an odd marker since two thirds of fragrances by value are bought by women for men and the sexes have different ideas on how men should smell. The research highlighted the differences. It was carried out over a number of countries and produced the intriguing incidental that while British and French men might disagree with British and French women French men and British women's opinion of the fragrances dovetailed nicely.

● Other papers covered the "forgotten tribe," the unemployed, and how research studies should acknowledge their existence; and how Devro, a maker of sausage casings, used research to investigate the decline in sausage sales as a means of informing its customers, the sausage makers, of developments in the market place.

And then there were the visits by the gurus. Stephen King of J. Walter Thompson stirred things up by attributing some of the ills of the country to market researchers. The nation was in decline because of a lack of innovation, especially of minor improvements to products and services. Research contributed to this by persuading businessmen to take decisions on the basis of research rather than by using the research as part of the creative process of decision making. A solution, that researchers should talk directly with decision makers, is the kind of thing researchers like to hear—and have done for a decade or more.

European ads potential 'vast'

AN EASING of government restrictions on television advertising in Europe would lead to a vast increase in television advertising expenditure, according to a new survey of television in Europe by advertising agency J. Walter Thompson.

The agency, which has looked at the state of commercial television in all the countries of Europe, believes that if there were a more plentiful supply of advertising airtime the increase in spending would be at least $2.4bn to $3.3bn a year at 1981 prices.

JWT's estimates are based on a redistribution of existing total expenditure on all types of advertising and the assumption that between 30 and 40 per cent of annual display advertising in newspapers and magazines would go to television if there were fewer restrictions.

"However the calculations are made, it is clear that the potential extra annual television expenditure is vast," concludes the survey, which was edited by Toby Syfret, new media manager for JWT Europe.

Results show, not surprisingly, that the spending on television advertising is much higher in countries where airtime is more freely available.

Britain accounts for 40 per cent of the total advertising budget in Europe despite having only 16 per cent of the population. Up to 90 minutes a day of advertising is allowed on Britain's main ITV channel.

Apart from in Britain, television advertising is relatively freely available in Greece, Ireland, Portugal, Spain and, most spectacularly, in Italy where JWT argues there is truly commercial television in the sense that stations compete for advertising revenue by competing for the same audience.

In Italy the break-up of RAI's state monopoly through constitutional court decisions in 1974 and 1976 led to the proliferation of private television stations—estimated to total 600 in 1979.

Total advertising time available to the Italian private companies will come down in July from 15 per cent to 14 per cent of airtime and there is growing political pressure for more controls because of TV's effect on the income of the print media.

Despite government controls on television advertising—most marked in Scandinavia where it is either severely restricted or not available—Tony Syfret says "our results show that in eight countries increases in supply have occurred recently or are expected within the next three or four years; there were five instances of no change and a question mark beside the possibility of an increase for the three remaining countries."

Across Europe conservative governments tended to be pro television advertising and socialist governments against—although France is an exception to the rule. Despite differing official attitudes there was almost no mention of cuts in television advertising time. "In the long-term the prospects of greater availability of commercial airtime would seem to depend on the spread of satellite TV, catering for the needs of national, transnational and pan-European advertisers," JWT argues.

Television Today and Tomorrow, price £10, from Toby Syfret, J. Walter Thompson, 10 Berkeley Square, London W1.

Raymond Snoddy

TELEVISION ADVERTISING EXPENDITURE*

		GDP†	Total display ad exp.‡		TV ad exp		
	Year	U.S.$bn	U.S.$m	% GDP	U.S.$m	% display	% GDP
Austria	1981	66	276	0.42	88	32	0.13
Belgium§¶	1981	96	402	0.42	36	9	0.04
Denmark	1978	42	429	1.03	0	0	0
Finland	1981	48	480	1.00	63	13	0.13
France	1981	564.5	2,557	0.45	460	18	0.08
Greece	1981	38	113	0.30	61	56	0.16
Ireland	1981	17	102	0.60	36	35	0.21
Italy	1981	345	1,391	0.40	428	31	0.12
Netherlands§	1980	168	597	0.36	104	17	0.06
Norway	1980	57	467	0.80	0	0	0
Portugal	1981	23	70	0.30	40	57	0.17
Spain	1981	186	1,122	0.60	381	34	0.20
Sweden	1981	109	529	0.49	0	0	0
Switzerland	1981	93	1,248	1.34	58	5	0.06
UK	1981	481	3,574	0.74	1,452	41	0.30
W. Germany	1981	679	4,263	0.63	515	12	0.08

* Based as close as possible to breakdown offered for UK for which expenditure figures do not include production costs, but do include agency commission. Also, the press figures exclude advertising in directories, financial notices, classified advertising, and advertising in trade and technical journals.
† All figures have been converted to U.S. dollars using OECD annual exchange rate estimates at current prices.
‡ GDP figures are all taken from OECD tables. The figures for 1981 are provisional estimates, yet likely to be close to final estimates.
§†Production costs included.
¶ Advertising on RTL.

Hello, hello, hello

David Churchill on the Office of Fair Trading's proposed guidelines for telephone selling

NEW guidelines for companies that sell by telephone—or use it for market research—are published today by the Office of Fair Trading in a bid to curb what it believes are some of the more obtrusive and objectionable aspects of this fast-growing marketing technique.

Although Sir Gordon Borrie, director general of fair trading, has stopped short of recommending legislation to curb unsolicited telephone selling, more than half of consumers polled in a special survey felt that the practice should be banned by law.

Nevertheless, if companies selling or researching by telephone do transgress the new guidelines, they may face tougher penalties. "If voluntary control proves inadequate, I will consider recommending the introduction of statutory regulations similar to those adopted in some other countries," says Sir Gordon.

The hackles of consumerists have been raised by such examples — quoted by the OFT in a special report — as the double-glazing salesman who persuaded a young girl who answered the telephone to fix an appointment for the salesman to see her mother.

The reasons for the growth of telephone selling as a marketing technique are twofold. First, it has the advantage of being more immediate than other forms of direct marketing and also the direct contact between the salesman and consumer can be especially useful where the consumer does not normally take the initiative — for example, when buying insurance.

The second reason is that telephone costs are cheaper than direct mailing or door-to-door sales visits. Between 1970 and 1982, the average cost of a telephone call fell by about 17 per cent in real terms, while average postal tariffs rose by nearly 55 per cent after allowing for inflation. Similarly, a door-to-door salesman can cost a company almost £20,000 a year, while the cost of a telephone salesman (including telephone charges) may only be half this.

Special research carried out by the OFT found that, of 1,500 adults surveyed who had a telephone at home, about a fifth received unsolicited telephone calls. Generally, it was those in London and the South — and who were in professional and executive jobs—who were more likely to have received such calls. The average number per recipient was 2.5 per year according to the survey.

By far the most common product was double glazing or window replacement, followed a long way behind by insurance and savings schemes.

The "good behaviour" guidelines Sir Gordon wishes to see adopted would require telephone selling companies to respect the consumer's privacy, to be honest and courteous when making the call, and to give the consumer a "cooling-off" period in which to pull out of any agreement made as a result of the telephone call.

The OFT is also planning to hold talks with the companies operating the recently-launched Mailing Preference Scheme to extend the central register of those not wanting to receive 'junk' mail to include those not wanting unsolicited telephone calls.

Selling by telephone, available free from the OFT, Room 109, Field House, Breams Buildings, London EC4.

TV-am

Good Morning,

THE FUTURE OF TV-AM

Since taking over as Chief Executive of TV-am, I have become more confident than ever that with the changes we are planning, the station will soon be established as a successful new medium, attractive to the consumer and therefore to you the advertiser.

Here are my reasons for confidence:-

1. The total breakfast viewing figures (BBC and TV-am) are 3.3 million per weekday and 8.2 million per week. TV-am is now getting 1.0 million per weekday and 4.6 million per week (figures much more revealing than the misused 1/4 hour average). Weekend viewing figures remain encouragingly high. What is more, we believe that our forthcoming programme changes will swiftly increase our share of the growing total viewing figure.

2. A number of advertisers who have maintained a presence on TV-am have had very satisfactory sales results - and these are the figures that really count.

3. Although we are disappointed with our share of the viewing audience so far, we have learned from the mistakes made in what are, after all, still early days. We are strengthening our management and changing the direction of our programming and presentation to a more popular approach.

4. When we are ready to announce our changes, we will capitalise on public interest in TV-am by launching a major promotional campaign to build our audience.

Finally, I would like on behalf of all the shareholders to confirm our financial commitment to and support of TV-am. We are all very confident that with the changes being made and the increased audience and advertising revenue this will attract, TV-am will soon emerge not only as an attractive advertising medium but a very healthy commercial concern.

We are here to stay and we look forward to your support in ensuring the success of this exciting new media opportunity.

Jonathan Aitken

Jonathan Aitken
CHIEF EXECUTIVE

BREAKFAST TELEVISION CENTRE
HAWLEY CRESCENT, LONDON NW1 8EF
TELEPHONE: 01-267 4300

Registered Office TV-AM Limited, Breakfast Television Centre, Hawley Crescent, London NW1 8EF Registered in England No. 1553947

JOBS COLUMN

Myth into reality · 'Human resources' etc.

BY MICHAEL DIXON

FOR OVER four years I have been wanting to find out who is the Government Minister who figures in the best "new job" story I have ever heard.

Appointed to his first ministerial post during the Heath Government a decade ago he was itching to show what new blood could do. He arrived by taxi on the first morning to be met by the chief official of the Whitehall Department he was joining. The permanent secretary conducted him ceremoniously to his office on the building's principal floor.

The room was spacious, but somewhat gloomy and sparsely furnished except for an expansive and decisive-looking desk and swivel chair. Apart from a reading lamp and an immaculate blotter, the desk top was empty.

The permanent secretary quietly closed the heavy door behind them, and said: "Now, Minister, perhaps you would allow me to give you a brief outline of the department's position?"

The politician had of course heard the various parliamentary legends about the way top civil servants manipulate their temporary political masters. But as he listened to the chief official he felt that those legends must be exaggerated. Every word the departmental mandarin spoke testified to a spirit of co-operation, common sense, and acceptance of the new Minister as an equally intelligent human being.

After giving the briefing and answering a couple of questions, the permanent secretary asked leave to return to his own office, adding as he left: "I'll arrange for your current files to be brought in so you can inspect them. I'm confident that you will find that the affairs of the department are in satisfactory order."

The Minister sat down and looked through the files. It did not take him long. For they showed the department's affairs to be in such good order that there did not seem to be anything useful for the new broom to do.

He went through the files again, punctiliously. But the second reading only confirmed that all matters of any importance were proceeding with absolute efficiency. He began to feel the frustration natural to any decision-maker who discovers that everything has already been decided. Surely there must be one thing needing his attention? Then he had an idea.

Picking up a telephone he asked to be put through to the Minister—a friend of his—who until he had been promoted just previously had held the same post in the same department. The call soon came through, and the new Minister sat back and said:

"Sorry to trouble you, but I need some advice. I've had a briefing from the permanent secretary here and gone carefully through the files, and as a result I'm now sitting with my feet on my desk looking out at The Mall with an awful feeling that there's nothing important for me to do. Surely there's something you left outstanding? Can you give me any pointers?"

There was a second's silence before the voice at the other end of the line asked: "What was that you said?"

"I said that I thought when you left here there must have been things that you hadn't managed to finish. So I was hoping you might give me some pointers as to what I should be doing."

"No," replied the friend. "I heard that the first time. What did you say before that bit . . . about how you were sitting?"

"Ah," the new Minister answered, "I said that because there's apparently nothing important to do, I'm sitting here with my feet up just gazing out on The Mall."

There was another pause, then the predecessor said: "Yet, there is something you need to do, and it's so important that you must go and do it right now. Go and tell the permanent secretary to put things back as they were. You shouldn't be looking at The Mall. You should be looking at Horse Guards Parade. Some time between when I left that department and you arrived there, the permanent secretary has pinched your office."

Since being told that tale and assured it was true by a usually reliable source in 1978, I've tried whenever there has been a chance to identify the characters. But I was disappointed until at this week's celebration of the silver jubilee of the London Planetarium, I found myself talking to a member of the Government of about the right vintage. So I outlined the story and asked: was it you?

"Yes," said Kenneth Baker, Minister for Information Technology. But he sadly went on to say that the tale considerably improves on the reality.

What actually happened was that he was given his first ministerial post as Parliamentary Secretary to the late lamented Civil Service Department a few weeks after David Howell, now Transport Secretary, had been promoted from the CSD to the Northern Ireland Office. In the meantime the permanent secretary of the Civil Service Department—Lord, but then Sir William, Armstrong—had apparently assumed that no new Parliamentary Secretary was to be appointed, and had had the Minister's superior furniture and fittings transferred to his own office.

"But it's certainly true that my first act as a Minister of the Crown," said Mr Baker, "was to go and ask my permanent secretary if I could have my furniture and pictures back."

So I apologise to any reader who remembers the original tale from its first appearance in the last Jobs Column before Christmas in 1978, for having passed on an exaggerated version of the facts. At least we've got them straight now, even though it has taken until the last Jobs Column before Easter in 1983.

People dynamo

RECRUITER Bryan Firth is looking for someone with success in managing as full a range of personnel work as possible across several countries, to be human resources director for a London-based multi-national business in fast moving consumer goods.

Since he may not name the company he—like all head-hunters mentioned in this column who keep the client's identity under wraps—promises to abide by any applicant's requests not to be named to the employer without specific permission.

The job will lay strong emphasis on the management of change, Mr Firth says. And he adds that candidates should be personnel experts of the "dynamic" as distinct from the bureaucratic type which seems to be increasingly in the ascendant in this country. *People who are used to working with a big American company, either in the U.S. or Europe, will have an advantage.*

Salary indicator about £23,000, plus bonus and car.

Inquiries to Bryan Firth and Associates, 1 Garrick House, Carrington Street, London W1Y 7LF: tel 01-499 0321, telex 894112 Arint G.

Software

A SALES manager designate is wanted by consultant Vivian Lawrence of Guy Redmayne *and Partners to market* the software and systems designed and provided by a London company, specialising in services to accountants.

Candidates need success in building new business as well as *in selling software or hardware.*

Salary plus results-related bonuses expected to be about £25,000. Car among perks.

Inquiries to Mr Lawrence at 18 Grosvenor Street, London W1X 9FD. Tel.: 01-409 0358.

Acquisitions

JOHN ANDERSON (Norfolk House, Smallbrook Queensway, Birmingham B5 4LJ. Tel.: 021-632 5758) seeks a director for the investment division much concerned with acquisitions of a leading stockbroker outside London. Candidates should have corporate finance experience in banking or investment trusts.

Salary not less than £25,000. Rest negotiable.

Finance Professionals

Britoil is one of the most active and successful organisations in Britain's offshore energy industry, and we are currently investing around £400 million per annum. Our present interests extend to six producing oil fields, one producing gas field, three oil fields under development and an increasing worldwide involvement.

Following reorganisation we wish to strengthen our finance team, and four new appointments will be made to candidates who are experienced in at least one of the following areas:

- Financial Accounting
- Management Accounting
- Auditing
- Systems Development.

Candidates must either be qualified accountants, with 2-5 years' post-qualifying experience, or have an MBA qualification. They must also be able to demonstrate a high level of achievement, and, while oil industry experience is desired, it is not essential.

These interesting and challenging positions based in Glasgow all offer a very competitive salary and benefits package, which includes generous assistance with relocation arrangements, where appropriate, outstanding pension and life assurance provisions and BUPA facilities.

Britoil

We are keen to have early discussions in both Glasgow and London. If you wish to find out more information, please telephone John Ross or Harry Brooks, or simply write or telephone requesting application form to: The Senior Personnel Officer, Britoil plc, 150 St. Vincent Street, Glasgow, G2 5LJ. Tel: 041-204 2525, quoting reference: FP/KWM/FT. All positions are open to men and women.

COMPANY SECRETARY

Berkshire Headquarters — From £25,000 + car

Our client is a large sub-group in the U.K. of a multi-million dollar United States group in the food industry with worldwide interests. A recent substantial acquisition in the U.K. has led to a restructuring of management and the consequent need to recruit a senior executive to act as group secretary and head of legal services.

The successful candidate will be responsible for the provision of all legal and corporate secretarial services to the U.K. companies in the group and for co-ordinating those activities with the Senior Vice President and General Counsel of the United States parent corporation.

Candidates, preferably aged 35 to 40, must have an excellent academic background in law, preferably with a degree and/or a company secretarial qualification, together with a wide practical experience in secretarial and legal practice and a well-developed business acumen. The rewards include a salary negotiable from £25,000 p.a., plus car, appropriate benefits and a profit-related incentive.

Applicants should write in confidence with details of previous experience and current salary, quoting reference DF 1881, to John Hills at:

Dearden Farrow A.I.M.,
Management Consultants,
40/43 Chancery Lane, London WC2A 1JJ.

A.I.M.

Export Finance Executives

We are a Public Corporation providing commercial, financial and professional services to public bodies overseas. Expansion of our activities has created the need for two executives to join our export finance team based in London, and we wish to appoint:-

Team Deputy Head

To £18,000

Major responsibilities will be the international marketing of our services and negotiation and implementation of contracts.

Candidates should be graduates aged 30-38 with proven negotiating experience in the export financial sector.

Project Controller

To £15,000

The work will involve discussions with the ECGD and engineering, commercial and financial parties to establish requirements. Also responsibility for the monitoring of cash flow and the scheduling of projects using advanced techniques.

Candidates should be aged 28-35, professional engineers with project management and financial experience.

Both positions require an in-depth knowledge of ECGD procedures and candidates must be prepared to travel overseas.

Please write with full details of qualifications and experience to Allan Derwent George,

Crown Agents

The Crown Agents for Oversea Governments & Administrations, Personnel Division, 4 Millbank, London SW1P 3JD.

Company Secretary

London — c£20,000 + car etc

Our client, a successful and expanding public quoted group whose principal activities are property investment, development and trading, wish to appoint an enthusiastic company secretary with well developed skills for this key position.

The successful applicant, reporting to the Managing Director will be responsible for the administration of meetings, compliance with the Stock Exchange requirements, office administration, insurance, pensions and personnel functions for the group.

Candidates should be chartered secretaries, aged 35 to 48 with significant public quoted company expertise, keen commercial interest and the desire to participate as part of a small, but highly professional management team in determining the group's continuing development and future.

In addition to salary, an annual bonus is payable plus other benefits which include a non-contributory pension arrangement, fully expensed car, 4 weeks holidays, BUPA and office car park space.

Candidates wishing to apply should send a comprehensive CV to Michael R Andrews, Executive Selection Division, Southwark Towers, 32 London Bridge Street, London SE1 9SY, quoting reference MCS/7103.

Price Waterhouse
Associates

Opportunity in Investment for Recent Graduate

around £7,500 — THE CITY

Sun Alliance is one of the country's largest insurance groups with funds in excess of £2,500 million. An attractive career opportunity is immediately available for a recent graduate to train as an Investment Analyst within our small, highly-professional investment team with good prospects of moving on to investment management. Training will cover all aspects of the investment function including stock market operations, company financial analysis and, in due course, will involve meeting stockbrokers and industrialists.

The successful candidate will be aged not more than 23, will have graduated recently in Economics, Business Studies or Law and may already be employed in the investment field or alternatively seeking to change career paths.

Starting salary will be around £7,500 with valuable fringe benefits.

Please write to or telephone for more information and an application form: Jane Wright, Recruitment Adviser, Sun Alliance Insurance Group, 1 Bartholomew Lane, London EC2N 2AB. Tel: 01-588 2345, ext. 1229.

SUN ALLIANCE
INSURANCE GROUP

Managing Director

Engineering • East Midlands

The company, employing 500 people and with sales in excess of £10 million, manufactures precision engineered steel products on two sites for the oil, petrochemical and nuclear industries. Heavily export-orientated, it is part of a financially strong British engineering group prospering against the trend.

The appointment, resulting from promotion, carries accountability for the direction and development of an autonomous business. There is an increasing accent on active marketing worldwide and on protecting and improving margins through increased manufacturing efficiencies.

Candidates, male or female, around age 40, are likely to be graduate and/or professionally qualified engineers with a strong marketing background. They must be experienced general managers successfully running a sizeable self-contained unit manufacturing and selling engineered products.

Salary negotiable to interest those now earning up to £20,000; benefits include car and excellent relocation package. Career growth prospects are bright.

Please write – in confidence – with full career details to D.A. Ravenscroft, Bull, Holmes (Management) Limited, 20 Albert Square, Manchester M2 5PE.

Bull Holmes
PERSONNEL ADVISERS

Ensure Systems Meet Expansion Demands

Combine your flair for systems development with your background in management accounting and become the MIS specialist for a small and successful, London based, oil company.

Responsible for building and maintaining systems within a newly created role, you will write and develop programs to support in particular, the Financial and Engineering Departments. Additionally, you will provide management with financial budget data and long term forecasts.

A qualified accountant with at least 2-3 years commercial experience you will have spent most of your career to date establishing, evaluating and integrating complex systems and developing programs. A self starter, familiar with project economics and taxation regimes, you will be capable of assuming technical responsibility and of progressing with a company which has a positive and aggressive attitude towards further expansion.

To arrange an early confidential meeting, telephone or write to Sue Jagger at Cripps, Sears and Associates Limited, Personnel Consultants, 88/89 High Holborn, London WC1V 6LH. Telephone: 01-404 5701 (24 hours).

Cripps, Sears

Assistant Director

Corporate Finance

Salary: Negotiable around £25,000

Our client, a Merchant Bank, has established an impressive reputation for its Corporate Advisory work. As a result of their continued expansion they wish to recruit an Assistant Director in this area.

Applicants, who are likely to be in their late 20s or early 30s, will be university graduates, probably with a legal or accountancy qualification, who currently hold a responsible position in the Corporate Finance field and must be able to demonstrate a successful record across the whole range of Corporate Advisory work.

The salary level is negotiable and will reflect the successful applicant's ability to make a substantial and immediate contribution to an extremely successful team.

Applications, which will be treated in strictest confidence, should be made in writing to:

D. W. Clark F.C.A.
Quoting Ref: 0383

Badenoch & Clark
16/18 New Bridge Street, London E.C.4
Telephone: 01-353 7722/1867

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SECRETARY GENERAL

Society of Company and Commercial Accountants

(founded 1923)

This professional body with offices in Birmingham and Bristol, and 13,000 members and students, requires a Chief Administrative Officer. Membership of the Society is by examination only.

This challenging opportunity calls for competence, confidence, objectivity, initiative, vision and flexibility in working with a non-executive governing body to develop and promote the Society. Commercial experience and knowledge of the accounting profession an advantage. Salary negotiable.

Full c.v. by 14th April to G. C. Smith, ACIS, FSCA, at 11 Portland Road, Edgbaston, Birmingham B16 9HW.

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CHRIST'S COLLEGE, CAMBRIDGE

BURSAR AND STEWARD

Applications are invited for the post of Bursar and Steward which will become vacant on 1 October 1983 upon the appointment of the present Bursar as Treasurer of the University of Cambridge.

The person appointed will be ultimately responsible for the management of property, investments, College staff, and catering services. The Bursar will be elected to a Fellowship of the College; the salary will be commensurate with age and experience. Letters of application should be received by the Master before 16 April 1983.

INTERNATIONAL BANKING

CREDIT ANALYSIS/MARKETING — £10,000 - £15,000

Progressive career opportunities occur with a number of active international banks for young bankers with a genuinely sound credit background. Some cases call for marketing exposure/potential; others place a premium on linguistic skills (French, German).

MANAGEMENT ACCOUNTING — to £12,500

Developing City bank seeks a qualified (pref.) Accountant with sound knowledge of international bank accounting/control, acquired either in banking or the profession.

JUNIOR/TRAINEE F.X. DEALER — £8,000 - £12,000

Two expanding European banks each seek a young person with basic F.X. dealing exposure and potential. One position demands fluent German; the other competent French.

EUROBOND SETTLEMENTS — c. £9,500

A challenging opportunity for a young banker with extensive practical experience to play a formative role in the development of the bank's Eurobond operation.

Please Tel: John Chiverton, Ann Costello or Trevor Williams.

JOHN CHIVERTON ASSOCIATES LTD.
5, Castle Court, London, E.C.3, 01-623 3861

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As part of further expansion efficient institutionally orientated firm seek individuals with established institutional/private clientele on commission sharing basis

Please reply Box A.8162
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10 Cannon St, London EC4P 4BY

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To c. £15,000 negotiable

Rapidly expanding City firm of Licensed Dealers in Securities offers attractive prospects to person with thorough experience of Stockbroking procedures and Computerised Accounts.

Apply in confidence to:
Mr G. Ralsey
6 Ludgate Square, London, EC4

PARTNERS ASSISTANT REQUIRED

in PRIVATE CLIENTS DEPARTMENT of

VIVIAN GRAY & CO

Applicants must have good knowledge of Stock Exchange procedures and be experienced in reviewing and advising on trust and personal portfolios. Preferred age 24/27.

Apply in writing, with curriculum vitae, to:—

The Staff Partner
VIVIAN GRAY & CO.
Ling House, 10/13 Dominion Street, EC2

CLEARING BANKERS — MANCHESTER

Applications are invited from above average clearing bankers of around Grade IV level who enjoy both travel and meeting people. This is a challenging opening requiring self motivation, lending experience and preferably full AIB. Candidates in the age range 26 to 36 must be presently living within a 50 miles radius of Manchester.

Please contact: Paul Trumble

OPERATIONAL SUPPORT

Major International Bank, expanding its London branch, wishes to recruit a young banker with a varied background in most aspects of international banking i.e. accounting, loans administration, forex etc. This new post will be at Assistant Manager level in Operations.

Please contact: Brenda Shepherd

CHIEF ACCOUNTANT — c£18,000

Our client a well respected European Bank has a new opening for a qualified accountant 33/45. The bank are updating their computerised system from an IBM 34 to an IBM 38 with a Midas package. Applicants must have an international banking background with experience of implementing computerised systems.

Please contact: Brenda Shepherd

Jonathan Wren BANK RECRUITMENT CONSULTANTS
170 Bishopsgate · London EC2M 4LX · 01 623 1266

Financial Analyst

Small Team. Major Projects. International Scope.

Central London — **c.£15,000 + Car**

This multinational American corporation is enjoying a period of exceptional growth, through virtue of its product quality and innovation.

In Europe, the Middle East and Africa, there is a variety of markets ripe for development – and as Financial Analyst, it will be your task to overview the Region to ensure that each operating unit within it has both the facts and figures necessary to capitalise fully, promptly and successfully on these market trends and on new business and investment opportunities.

A member of a small, London-based team, this broad, project-orientated brief – demanding a careful mix of desk research and frequent overseas site visits – will give you a highly visible presence at the most senior levels. Demonstrate potential and you can look forward to rapid personal growth on a truly international scale.

As to your background: an accountancy or MBA qualification with between 2-5 years' financial experience, ideally gained with an international organisation, would all be relevant. Languages – German in particular – would be an advantage. You will be aged 26-30.

In the first instance, please write with career details, listing any companies to whom your application should not be forwarded and quoting ref: FT/552 to:
Peter Phillips,
Riley Advertising (Southern) Limited,
Old Court House, Old Court Place,
Kensington, London W8 4PD.

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ACCOUNT OFFICER

A senior appointment with a major International Bank

Our Client, a substantial and expanding International Bank offering a full range of services, enjoys an enviable record of both success and achievement.

The current requirement calls for an experienced lending officer to be responsible primarily for the identification and development of new lending opportunities with major multi-national companies throughout the U.K.

Candidates, preferably graduates in their late 20's or early 30's, should combine a sound credit training with a proven record of corporate business development in the U.K. Personal qualities of self-motivation, maturity and flair are to be regarded as critical elements in the selection process.

This represents a significant opportunity to contribute to a well-established and ambitious institution intent upon breaking new ground. Salary is negotiable from £20,000 and the comprehensive range of benefits includes a car.

Contact Norman Philpot in confidence on 01-248 3812

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Management Selection · Executive Search

INVESTMENT ANALYST

£11,162 to £13,932 p.a.

The Electricity Council wishes to appoint an analyst in the Securities Investment Branch, which manages the investment portfolio of the Electricity Supply Pension Scheme. The total value of the Scheme's assets is in excess of £2,000m.

Investment analysts are responsible for keeping under close review the various sectors within a substantial portfolio of ordinary stocks and shares; assessing detailed studies of industries and companies, vetting company accounts and monitoring stock market price performance. The analysts make specific investment recommendations whilst also assisting in the general administration of the investments and preparing occasional reports on a wide range of related investment matters.

The man or woman we are now seeking to join the investment team will have a sound knowledge of economics and investment principles and techniques, and will already have practical experience of share analysis within the Investment Industry. An appropriate qualification is desirable.

Please write in confidence with full details of career to date and present salary quoting reference 14/FT to:
Duncan Ross,
Recruitment & Development Officer,
The Electricity Council,
30 Millbank, London SW1P 4RD.

ELECTRICITY COUNCIL

David Grove Associates
Bank Executive Recruitment
60 Cheapside London EC2V 6AX
Telephone 01-236 0640

CORPORATE FINANCE — **£11-16,000**
We are currently handling a number of vacancies for leading merchant banks who require NEWLY QUALIFIED ACCOUNTANTS (graduates preferred) and also persons with mergers' and acquisitions' experience within a banking environment.

EUROBOND SETTLEMENTS—DEPUTY HEAD — **£16,000**
A newly created position in a merchant bank with busy investment department. Previous supervisory experience in a similar area is essential.

INTERNAL AUDIT — **£9-15,000**
We seek experienced internal audit candidates for a number of positions in International banks in the City. Experience required varies from fairly basic audit procedures over 2 years, to more senior positions requiring good computer/systems audit experience.

IN RESPECT OF THE ABOVE APPOINTMENTS PLEASE CONTACT DAVID GROVE ON 01-236 4441 IN CONFIDENCE

MIKE POPE & ASSOCIATES
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Eurobond Syndications Manager to 35 years	£ neg.
Eurobond Sales/Dealers (2 years' experience)	£ neg.
Eurobond Analyst (25-35)	£ neg.
F.X. Dealers (to 35)	to £20,000
Graduate Lending Officers (to 32)	£ neg.
Credit Analysts (24-30)	£ neg.
Doc. Credits Clerks (24-30)	£ neg.
French-speaking Banker	to £12,000

Please phone:
Mike Pope or David Patten
01-626 5191
1/2 Gracechurch Street, London EC3

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c.£12,500 and attractive benefits
Bury and Ormskirk

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In addition to the commencing salary which increases on an incremental scale, significant benefits include house mortgage subsidy, first class pension scheme, 30 days' holiday and free medical insurance. Relocation assistance in suitable cases.

Please write with full C.V. to: **Mr. G. Skilling, TSB North West, TSB House, 24 Mount Street, Manchester M60 2EB.**

M.W. Marshall (Sterling) Limited

have vacancies for experienced Interbank brokers. Excellent salary and conditions of employment are offered to suitable applicants.

Applications in writing will be treated in confidence and should be addressed to:–
Staff Director,
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52 Cannon Street, London EC4N 6LU.

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INVESTMENT ANALYST/DEALER – U.K. EQUITIES

LONDON EC2

The Equitable Life, a long-established and progressive mutual life office, require an Investment Analyst/Dealer to join their small investment team in the City. This new post has arisen as a result of the continued expansion of funds and will involve specialisation in a limited number of U.K. equity sectors.

Applicants, aged between 28 and 35 years should have at least 3 years' general experience in the U.K. equity market either in stockbroking or in a financial institution.

The Society offers an attractive remuneration package which includes free lunches, non-contributory pension scheme and interest free season ticket loan. The Society also operates a staff house purchase scheme.

To apply, please send full details of qualifications, salary and experience to:
Miss Barbara Brookfield,
Staff Officer,
The Equitable Life Assurance Society,
Walton Street,
AYLESBURY,
Bucks HP21 7QW.
Telephone: Aylesbury (0296) 33100

The Equitable Life

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UNIT TRUST & PRIVATE CLIENT GROUP

An established investment management group offers an excellent opportunity marketing its range of unit trusts and private client services. Applicants should be experienced and have a proven track record.

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40 Bucklersbury, London EC4N 8BD

PROPERTY DEVELOPMENT COMPANY-LONDON

Opportunity for experienced commercial developer with proven track record and entrepreneurial flair, to join small team in a cash-rich plc with a view to expanding development activity.
Age probably 28+. Salary by negotiation, but part performance related. Early directorship. Replies to:
Box No. A8174, Financial Times,
10 Cannon Street, London EC4 4BY.

LETTERS OF CREDIT

Major international trading group specialising in oils and minerals has a vacancy in its London subsidiary for a young banker with a solid background in issuing and handling all types of letters of credit

Based in West End and reporting to the Manager of the Letter of Credit Department, the successful applicant will be responsible for documentary presentations, will advise officers of the company on documentary matters and will be called upon to tailor his/her varied experience to the differing requirements of the company's business.

In addition to a challenging professional environment a highly competitive salary will be negotiated commensurate with experience and potential.

If you feel you may qualify please send a current curriculum vitae to Box A.8173, Financial Times, 10 Cannon Street, London EC4P 4BY.

BUSINESS DIRECTOR

FINANCIAL TIMES NEWSLETTERS and PUBLISHERS

We are looking for a Business Director for the Business Reports Division, which consists of 20 newsletters and a range of business publications. The Business Director will have full commercial, editorial and operational responsibility for this profitable and growing area.

The successful candidate will have editorial and entrepreneurial flair, and should be able to demonstrate a track record of success in profit-centre management, preferably in a business publishing environment.

Salary: by negotiation, in the area of £20,000 plus car and other benefits.

Applications to:
Peter Sabine
Director, Business Reports Division
FINANCIAL TIMES BUSINESS ENTERPRISES LTD
Bracken House, 10 Cannon Street, London EC4P 4BY

CROCKER NATIONAL BANK
LONDON BRANCH

invites applications for the post of

CORPORATE FOREIGN EXCHANGE DEALER

to service existing and targeted corporate clients

Applicants, of strong and personable character, should have gained substantial experience of Foreign Exchange and money markets within a dealing broking or corporate treasury environment.

This is a challenging opportunity to organise and run a key function within the Dealing Room.

Salary and benefits package will reflect the importance and responsibilities attached to the position.

Please write with full personal and career details to:
Mrs. H. Thompson,
CROCKER NATIONAL BANK,
34 Great St. Helen's,
London, EC3A 6EP.

INSTITUTIONAL SALES

Leading firm of international stockbrokers requires a Hong Kong/Singapore Sales Person.
Candidates should have at least two years' experience in international stockbroking preferably including exposure to Far East markets.
A competitive compensation package will be paid according to experience and ability.
Please reply in the first instance to:–
Box A.8170, Financial Times
10 Cannon Street, London EC4P 4BY

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Only Connaught offer a success-related fee structure to selected senior executives seeking new appointments from £15,000 to £50,000.
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We require two experienced gilt sales executives to join an expanding institutional department. The appointments are likely to appeal to those who feel that their present opportunities for advancement are limited and who are seeking greater scope to realise their potential in a professional environment. Remuneration is negotiable and is unlikely to present a problem to the right applicants.

Please apply in confidence to
John Davies, Managing Partner

Quilter Goodison & Co.
Garrard House, 31-45 Gresham Street,
London EC2V 7LH. Tel. 01-600 4177

UNIVERSITY OF BATH
Centre for European Industrial Studies

Two Research Officers are required from 1st September 1983 for an SSRC funded study of Cross Frontier Joint Ventures and UK Industrial Development directed by Professor B. T. Bayliss.
The first post will be concerned with Competition, Company and Industry policies in the UK and the EEC and would be particularly suitable for a financial economist or accountant with an interest in EEC Competition and Company Law. The appointment will be for between 1½ and 2 years with a starting salary up to £11,105 pa. Quote ref. 83/23.
The second post will be concerned with statistical analysis of joint venture incidence and in setting up an analysing a questionnaire survey of firms. The post would be suitable for an economist with a good statistical background: some experience of microcomputers would be an advantage. The appointment is for 2 years with a starting salary up to £7,225 pa. Quote ref. 83/24.
Application forms available from the Personnel Office, University of Bath, Bath BA2 7AY. Closing date: 7.4.83.

Foreign Exchange Dealer

£ negotiable

Applications sought from high calibre Spot and Forward Dealers to join prestigious International Bank. Specialist experience in Sterling, Dollars, French Francs and Deutsche Marks. Salary to be governed by experience and track record, but will be very competitive. An opportunity to join a prime dealing area.

Please ring Chris Wenborn on *01-638 9205* or *01-628 0494*
ZARAK HAY ASSOCIATES
6 Broad Street Place, Blomfield Street
London, EC2

UNIVERSITY OF WARWICK
INDUSTRIAL DEVELOPMENT OFFICER

This is a new appointment, made with financial support from the Department of Industry, to assist the process of technology transfer and the commercial exploitation of research carried out in the University. Candidates must have considerable commercial experience in a scientific environment, with the ability to identify exploitable areas of research. Salary on the equivalent of the Senior Lecturer scale: £12,920-£16,180 pa (under review). Further details from the Secretary and Registrar, University of Warwick, Coventry CV4 7AL to whom applications (including the names of three referees) should be sent by 15th April. Please quote Ref. No. 33/6/83/M.

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Experienced personal assistant required for the Senior Partner of a leading London firm. Must be fully competent to handle computerised client portfolios and talk to and deal for private and institutional clients. Two or three years' stockbroking experience are essential.
Candidates will probably be aged 25-30, male or female. Write giving details of experience and salary expected to Box A.8172, Financial Times, 10 Cannon Street, London EC4P 4BY.

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Harold Rattle & Co. seek to recruit a capable and energetic dealer. Age and experience are open and the remuneration package negotiable.
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A. K. Pugh,
HAROLD RATTLE & CO.,
Salisbury House,
London Wall, E.C.2.

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Write Box A8171, Financial Times 10 Cannon Street, EC4P 4BY

هكذا صدر الأصل

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Accountancy Appointments

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City based
£20-22,000+car & benefits

This UK operation is part of an international financial services organisation. Turnover exceeds £100m and over 2,600 people are employed in the UK. Following a Board decision, the group is committed to developing a high calibre internal audit function able to contribute significantly to the improvement of financial control.

Reporting directly to the Board, whilst working closely with the Chief Financial Officer, the prime task is the rapid development of the existing department.

Candidates must be Chartered Accountants with extensive auditing experience at a managerial level either with a substantial company in which the internal audit function is well developed or with a major professional firm. Knowledge of computer based systems and their development is essential. Experience of the financial services sector is preferable.

Benefits include a basic salary of £20,000-£22,000, a worthwhile performance bonus and a quality car.

Please reply, in strict confidence, to Tony Beresford, with details of age, career and salary progression, education and qualifications, quoting reference 1171/FT on both envelope and letter.

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OIL INDUSTRY
FINANCIAL DIRECTOR

c.£35,000+car — Surrey

FINANCIAL DIRECTION PLUS OPPORTUNITY TO ACT AS DEPUTY TO THE EXECUTIVE CHAIRMAN. EXPANDING BRITISH PUBLIC COMPANY IN OIL SERVICES.

Essential: Chartered Accountant experienced in financial control, systems design, computers & consolidation. Demonstrated general management ability & decisiveness. Budget, treasury & tax strengths. 35—50 years.
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Telephone or Write to Tony Barker in confidence:
Telephone: 01-408 1612

Anthony Barker Consultants
Executive Search Consultants
67/68 New Bond Street London W1Y 9DF

Financial Controller

West Midlands — **c.£15,000+car**

Our client, a rapidly-expanding UK subsidiary of a multiple retail group, has a t/o in excess of £60 million. A highly-motivated accountant is sought to be responsible for the operation's finance function.

Previous exposure to computerised accounting is essential as developing the company's information systems is a major factor. Retail experience would be advantageous, however vital qualities for this challenging role include:-

- ★ Ability to work towards attaining operational and financial targets.
- ★ Determination, initiative and the capacity to solve problems.
- ★ Personal presence and the communication skills to motivate, supervise and liaise with staff at all levels.
- ★ Ability to manage and plan for change in a dynamic environment.

For an individual, aged late 20's/early 30's with the required technical and personal skills, this position offers excellent career prospects.

Candidates should write to **Adrian Wheale**, enclosing a comprehensive curriculum vitae at **24, Bennetts Hill, Birmingham B2 5QP.**

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International Recruitment Consultants
London New York
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APPOINTMENTS ACCOUNTANCY
APPEARS EVERY THURSDAY
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Two Chief Accountant openings with real potential for the future

Furness Withy & Co. Ltd.

Recession or no recession, there are still plenty of job advertisements aimed at qualified accountants with experience and youth on their side. They should be looked at carefully by discerning applicants, as many merely offer a move from one rut to another. So why give this particular one more than a cursory look? Essentially because the organisation is able - indeed keen - to offer future development moves either into Head Office finance with one of the City's most interesting widely spread groups, or into financial or general management with one of the group's feet-on-the-ground decentralised operations.

Mid-Twenties Chief Accountant — up to £15,000 + car

A good qualification and some industrial experience (ideally in a distributive operation) could lead to a Chief Accountant role with a Finance Director Designate tag. There is nothing glamorous about either business or location - the distribution of pipe-line accessories from a surburban South East London base: £10 million turnover, seven branches, and about 200 people, gritty day-to-day accounting responsibilities and an under-used computer. Deeper interest will come from working closely with the new Chairman to add commercial bite to the operation, from handling a broader range of personnel and administrative functions than the average accountant - and from the prospects. (Ref 3007/TRW).

Early-Thirties Chief Accountant — at least £15,000 + car

Please note the 'at least'. This is a more senior appointment and calls for an equally well qualified Accountant with broader commercial experience, including in-depth knowledge of overseas subsidiaries, negotiations and exchange. We are talking about a City-based ship operating and broking Company, working on a world-wide basis. Once again, the job understudies the Finance Director, with prospects involving possibilities within the autonomous operation itself, and within the parent company. Intellect, presence and a strong commercial flair are pre-requisites and again we would emphasise the need for experience of international financial dealings. (Ref 3008/TRW).

Male or female candidates should send career details in confidence to Terry Ward, quoting the appropriate reference.

BROOK STREET EXECUTIVE RESOURCES LIMITED
63 Oxford Street, London W1R 1RB. Tel: 01-434 1661.
The Executive Selection Company of the BROOK STREET Employment Service Group

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Tel: 01-588 3588 or 01-588 3576
Telex No. 887374

Interesting and varied appointment with scope for further development.

CJRA ACCOUNTANT — PART QUALIFIED

CITY — **£10,000 — £12,000**

LEADING INTERNATIONAL FINANCIAL SERVICES GROUP

Our Clients require a part qualified accountant (ACA, ACCA) aged 26-35 for a Lloyd's Underwriting Agency. The selected candidate, who will report to and work closely with the Board, will be responsible for producing budgets and monthly management figures for the Agency and syndicates, producing year end accounts. It will also involve controlling the accounting function related to investments of members reserves. Essential qualities are an eye for detail and the ability to communicate effectively at all levels, both verbally and in writing. Initial salary will not be less than £10,000, contributory pension, free life assurance and other large company benefits. Applications in strict confidence under reference APQ14663/FT will be forwarded unopened to our Client, unless you list companies to which they should not be sent in a covering letter marked for the attention of the Security Manager.

CAMPBELL-JOHNSTON RECRUITMENT ADVERTISING LIMITED, 35 NEW BROAD STREET, LONDON, EC2M 1NH.

Our Incomplete Records System (IRS) is the only complete IRS available for the Apple II micro-computer. We have many users around the country and are now looking to increase our share of the market.

WE REQUIRE SELF-MOTIVATING SALESPERSONS

who have solid accounting experience. Realistic earnings are £20,000-£25,000 pa.

Written applications only, with CV, to the Managing Director:
D. M. S. Knightbridge, FCCA
H. G. SERVICES LTD
97-99 London Road, St Albans, Herts

RECENTLY QUALIFIED A.C.A.

W. SUSSEX ● FINANCIAL PLANNING & ANALYSIS ● c.£13,000

This appointment, with Duracell UK, should be particularly attractive to graduate A.C.A.'s who see their future in industry, and initially in a planning and analytical role. Part of a major international organisation, Duracel UK has a record of profitable growth which it intends to sustain through the professionalism and vigour of its young management team.

Reporting to the UK Finance Manager you will lead a small team that analyses and interprets trading results and most importantly develops detailed plans and forecasts. It is in this latter area that you will personally be particularly closely involved, utilising and further developing a range of predictive techniques made possible through the company's IBM System 38 capability. The role offers variety in many ways. This arises both in terms of the content of the work and also in a requirement to be equally effective both at the detailed level and also in discussing more strategic issues with senior management.

Our client is unashamedly only interested in the qualities of excellence, and in return for this, offers excellent career prospects in a stimulating environment. If therefore, you have recently qualified and are seeking this kind of challenge then we would like to hear from you.

Candidates of either sex should apply, in confidence, quoting ref: 459/FT to: Johnson Wilson — Management Search, 67/69 High Street, Winchester, Hants, or telephone Winchester (0962) 53319 (24 hour service).

JOHNSON WILSON MANAGEMENT SEARCH

ACCOUNTANT PROGRAMME ACQUISITION

The department which buys films and television programmes for BBC use needs a business graduate or qualified accountant with experience of statistics and computer applications to manage its computer system. Duties also include the preparation of ad hoc financial reports and forecasts for management and maintaining accounts for specific areas of departmental activity including the "seed money" scheme for investment in feature films.

Must be a qualified accountant or have a recognised business qualification, at graduate level with a strong component of accountancy, O.R. and computer studies.

Salary £11,910-£14,597 (according to qualifications and experience), general salary review in April. Relocation expenses considered. Based West London.

Contact us immediately for application form (quote ref. 2273/FT and enclose s.a.e.) **BBC Appointments, London, W1A 1AA, Tel. 01-580 4468, Ext. 4619.**

We are an Equal Opportunities employer

BBC tv

Chief Accountant

S.E.London
Negotiable c.£12,500

A profitable Engineering company with two operating sites and a turnover approaching £20 million in packaging products, requires a qualified Accountant – preferably in his/her mid-30's with several years' broad Accounting experience and an understanding of computer-based systems.

The Chief Accountant reports to the Finance Director and controls the preparation of annual budgets, monthly and annual accounts and other statistics within a strict timetable. The ability to motivate staff is a vital factor, as is co-operation and integration with the Management team.

A competitive salary package is offered and career prospects are excellent.

Please write enclosing a full C.V. and indicating companies to whom your application should not be sent, to:

The Recruitment Co-ordinator (Ref 8309),
Lockyer, Bradshaw & Wilson Limited,
178 North Gower Street, London NW1 2NB.

The Qatar General Petroleum Corporation requires the following qualified accountants to establish and run a small internal audit department.

Head of Internal Audit

Applicants must be chartered and have at least 10 years post graduate experience of which 5 will have been gained within an audit group at a senior level. The maximum age is 45 and only those with oil/petroleum industry experience will be considered.

Internal Audit

Again applicants must be chartered with 5 years experience of which 2 years will have been spent in an audit group working independently. The maximum age is 35 and preference will be given to those with oil/petroleum industry experience.

A substantial tax free salary together with free accommodation for these married status positions. Free local or subsidised U.K. education for up to 4 children and first class medical and recreational facilities including generous settling in allowance are offered together with many other excellent benefits.

Applicants should write with a full c.v. to Mr.R. Fawcett as Consultant to the Corporation. Interviews will be held in London. Please quote ref 0001/PL on both the envelope and your covering letter.

Jaffa Shaw, (Recruitment Consultants)
6/8 Eastern Avenue,
Wanstead,
London E11 2JQ.

QGPC

MANAGER, TECHNICAL ACCOUNTS

c.£13,500 + Mortgage facilities

The Victory Insurance Company Limited, a member of the Legal & General Group, is one of the leading International Specialist Reinsurers in the UK, with several overseas subsidiaries.

This new appointment reporting to the Chief Accountant, will carry responsibility for all general insurance technical (client and broker related) accounts and associated credit control, as well as completion of D.O.T. statutory returns for The Victory Insurance Company Limited and portfolios managed by the Company.

Applications are invited from qualified Accountants in their thirties.

Experience in the insurance/insurance broking industry would be an advantage, but is not essential.

Applications, in confidence, should be sent to: Group Personnel Manager, The Victory Insurance Company Limited, Victory House, Castle Hill Avenue, Folkestone, Kent CT20 2TF.

Staff Benefits
include attractive house purchase facilities, Private Patients Plan, permanent health insurance, contributory pension scheme, flexible working hours, as well as an active sports and social club.

VICTORY INTERNATIONAL SPECIALIST REINSURERS

1975

Corporate Auditor

c. £14,000 + CAR

Wilkinson Sword Group is a major worldwide company manufacturing and marketing a wide range of consumer and industrial products, many of which are household names.

The Corporate Audit Department, based in Slough, is responsible for operational auditing and special investigations in the Eastern Hemisphere.

The person we are looking for should be professionally qualified with previous experience auditing a large company. Self motivation is essential as much of the work is done with minimal supervision. Ability to communicate at all levels and a working knowledge of a European language are also requirements.

As well as the attractive salary there are the usual benefits associated with a large international company. Prospects for promotion within the department and into line management are excellent.

For further details please apply with a full CV to:

Maureen Ashcroft,
Wilkinson Sword Group Limited,
Langley Hall, Station Road,
Langley, SLOUGH, Berks
SL3 8BZ.
Tel: Slough 44212

WILKINSON SWORD

كافة انحاء العالم

Accountancy Appointments

International Appointments

International Financial Controller

France

£40,000+ (Negotiable)

An international manufacturing/marketing group, presently being reorganised, wishes to appoint a financial controller to develop and administer its financial management systems and to advise the president on matters concerning business planning, acquisitions, investments, tax and group financial structure.

Operating from Western Europe, the group's main activity is the assembly, export and servicing of heavy duty automotive related equipment worldwide. Current sales are in excess of 100 million dollars and increasing. other activities are planned.

Candidates aged 35-50 with appropriate international experience should be familiar with the language and tax laws of France and Germany. They will be qualified accountants, preferably with a business or law degree.

The job is demanding and needs someone with practical accounting experience and an understanding of the international business scene.

Reply in confidence with brief career details to, E. M. Nell, 165 Queen Victoria Street, Blackfriars, London EC4V 3PD, quoting reference 3727/L.

Peat, Marwick, Mitchell & Co.
Executive Selection Division

In the Name of Allah, the Beneficent, the Merciful

DAR AL-MAAL AL-ISLAMI (DMI) SA

Takafol Group

A NEW International Force in Life & General Insurance

MANAGEMENT APPOINTMENTS EUROPE, AFRICA, MIDDLE EAST

The Takafol Group of Dar Al-Maal Al-Islami (DMI) SA are expanding their sphere of operations into Luxembourg, West Africa, Sudan and Bahrain and require Managers to supervise and run their offices.

A knowledge of French, English and Arabic in the latter case, is a requirement for these senior positions, together with experience in Life and General Insurance.

An appreciation of Islamic economic principles would be a necessity of these appointments.

The selected candidates should be preferably of an age to make a career with this new, innovative and financially strong group which is destined to become a powerful force in the field of international finance.

Written applications giving qualifications and experience should be addressed in the first instance to:

Mr. Mohammad H. Alvi
Dar Al-Maal Al-Islami (DMI) SA
Takafol Group
World Trade Centre
110 avenue Louis-Casal
PO Box 454—1215 Geneva 15—SWITZERLAND

Head of Internal Audit

Sudan

The Kenana Sugar Company Limited, in central Sudan, is one of the world's largest integrated sugar estates. Sugar production this season will reach 2/3rds of rated capacity (330,000 metric tonnes) which figure is expected to be achieved during the 1985/86 crop.

The Company seeks a Head of Internal Audit with the objective of ensuring that systems and controls are effective, accounts are accurate and assets safeguarded. The head of the Internal Audit Department will report to the Managing Director and act as Secretary to the Audit Committee of the Board.

The requirement is for an accountant with an internationally recognised accountancy qualification, and at least six years experience of managing audits, who can demonstrate instances of having his recommendations implemented. Experience of training staff in a developing country would be highly relevant.

Conditions of service include a competitive salary, end of contract gratuity and incentive bonus in addition to:-

- free furnished air-conditioned accommodation
- free medical attention
- 60 days annual leave plus leave air fares to country of origin
- assistance with children's educational expenses
- free Life Insurance cover
- Sports and Club facilities

Please write in confidence quoting reference MCS/7104 and requesting a personal history form to Michael R Andrews, Executive Selection Division, Southwark Towers, 32 London Bridge Street, London SE1 9SY.

Price Waterhouse Associates

Banking

Opportunities in South Africa

Nedbank is the largest South African owned bank, with assets exceeding 8 000 million rand. Our progressive, innovative approach to banking, combined with an energetic new business policy has led to outstanding growth and profitability. We are highly automated and have an extensive and sophisticated country-wide, on-line facility which takes the frustration out of communications.

Decisive management, initiative and original thinking are recognised as key factors in the continuing development of existing and new services encompassing a broad spectrum of banking activities both in Southern Africa and internationally.

To join our Team - the Senior Management of tomorrow - and to play a vital part in our future success, we are looking for men/women who are

- in the age range 30-35
- A.I.B. qualified and preferably graduates
- possess proven ability, gained in a large-commercial, organisational or equivalent banking environment
- experienced in either/or credit lending, project finance, corporate banking

Above all else we need talented professionals who want to advance in the world of banking by merit and achievement.

The successful applicants will be based in one of South Africa's major commercial centres and will enjoy working in a truly stimulating environment where personal contribution is encouraged and recognised.

Attractive salaries and excellent benefits are the immediate rewards - the long term rewards are unlimited.

To apply, write to the Chief London Manager, quoting Ref. No. FT 243 on both envelope and letter, with details of qualifications and experience - Nedbank Limited, Nedbank House, 20 Abchurch Lane, London EC4N 7AD.
Full details of relocation expenses and the life-style you can expect in South Africa will be furnished at the initial interview.

If you're serious about a career join the people who are serious about banking.

NEDBANK
Nedbank Limited Registered Commercial Bank

International Banking Consultants

Jonathan Wren International Ltd

01-623 1266

170 Bishopsgate, London, EC2M 4LX

As a Bank Recruitment Consultancy specialising in overseas appointments we carry a wide ranging portfolio including the following vacancies in:

BAHRAIN

FX DEALER .... c.$45,000
This important international bank seeks an additional trader, ideally aged 25-32 able to demonstrate a minimum of 3 years FX/Money market experience.

PROGRAMMERS (2) .... c.$34,000
This major international bank seeks two programmers who can demonstrate a minimum of two years experience of ARBAT/AMES gained within a banking institution. Three year contract offered.

NEW ISSUES .... c.$70,000
This major international bank seeks a high calibre Merchant Banker with a minimum of 5 years experience of all aspects of Corporate Finance.

MONEY MARKET TRADER .... c.$50,000
This important international bank seeks an additional deposit dealer ideally aged 25-32 with a minimum of 3 years experience. Must have capability to handle FX in due course.

CORPORATE BANKER ... c.$70,000
This major international bank seeks an additional lending officer preferably a graduate with a minimum of 6 years experience of line management. Fluent Arabic essential.

INVESTMENT MANAGER .... c.$60,000
This important international bank seeks an experienced portfolio manager with a minimum of 7 years experience of domestic and international capital market instruments.

All the above posts carry a tax free salary plus free furnished accommodation, utilities paid, flights etc.
Please send a detailed curriculum vitae to Roy Webb, Managing Director.

EMPLOYMENT CONDITIONS ABROAD LIMITED

An International Association of Employers providing confidential information to its member organisations, not individuals, relating to employment of expatriates and nationals worldwide.

01-637 7604

INVESTMENT PROMOTION ADVISER

MALAYSIAN INDUSTRIAL DEVELOPMENT ASSOCIATION

MALAYSIA

Required urgently to advise and assist in identifying and evaluating industrial projects which the Malaysian authorities may decide, would be suitable for joint ventures with British firms or for British investment; advise *and assist in identifying potential British* investors and in negotiations with them; undertake such other duties as may be agreed with the object of promoting industrial co-operation between the United *Kingdom and Malaysia.*

Applicants should be UK citizens aged between 40-60 years with in-depth experience in the Public Service and/or development corporations and/or the Private sector in all aspects of industrial finance and investment.

Appointment 2 years. Salary (UK taxable) in accordance with *qualifications and experience*, plus a variable tax-free Foreign Service Allowance currently in range £2,645 *to £4,960 per annum, depending on domestic* circumstances.

The post is wholly financed by the British Government under Britain's programme of aid to the developing countries. In addition *to basic salary and overseas allowances other* benefits normally include paid leave, free family passages, children's education allowances and holiday visits, free accommodation and medical attention.

Applications must be made within three weeks of this notice.

For full details and application form please apply, quoting ref. AH 372(x) stating post concerned, and giving details of age, qualifications and experience to:
Appointments Officer,
Overseas Development Administration,
Room 351,
Abercrombie House,
Eaglesham Road,
EAST KILBRIDE,
Glasgow G75 8EA.

ODA

OVERSEAS DEVELOPMENT

BRITAIN HELPING NATIONS TO HELP THEMSELVES

TECHNICAL DIRECTOR FOR PROGRAMMING AND BANKING STUDIES

The Emirate's Bankers Training Institute invites applications for the above vacancy on the following terms and advantages.

I—Conditions:

1. The applicant should hold a Master's Degree in Business Administration (Banking) or its equivalent as a minimum qualification requirement.
2. Experience of not less than 7 years in Banking and Bank training with previous experience in programming, planning and designing of courses and its execution.
3. Should have a good command over spoken and written Arabic and English Languages. Priority shall be given to those with previous knowledge of the Middle East.
4. Age should not exceed 50 years.

II—Job Specifications and Advantages:

1. Salary shall range between U.S.$70,000 and U.S.$80,000 per annum, plus other benefits.
2. Suitable furnished accommodation shall be provided.
3. Free Medical care in the U.A.E. for the employee and his family.
4. A suitable car shall be provided.
5. Annual air tickets for him, his wife and up to three children below 18 years of age.

III—Date of Application:
Applications with photocopies of qualifications and experience certificates should be received not later than 30.4.1983 addressed to:—

The Governor, UAE Central Bank, P.O. Box 854, Abu Dhabi, United Arab Emirates.

BANK EXAMINERS

ABU DHABI

Age: 30-45 **Salary: $32,000-50,000**

A major bank in the United Arab Emirates seeks three examiners to strengthen its inspection function.

NATURE OF WORK

As leaders of a team of examiners they will be involved in review of loan portfolios and cover all aspects of retail and money market banking operations. They will be expected to form an opinion on the soundness of bank assets, profitability of its operations, quality of management and internal controls.

EXPERIENCE REQUIRED

Candidates must be qualified accountants (ACAS or equivalent) and have at least five years' post-qualification experience in an audit firm as external auditors for client banks or senior bankers with a minimum experience of 10 years, at least five of which as internal inspectors.

TERMS

The contract will be for an initial period of two years, renewable thereafter annually. Salary will be negotaible in the range of $32,000-$50,000 according to the candidate's experience, free of tax. In addition, free furnished accommodation, medical expenses and other attractive benefits will be offered. Details of such benefits will be discussed at interview.

Please send c.v. with full details to:

Box A.8176, Financial Times
10 Cannon Street, London EC4P 4BY

PROFESSORSHIP

SCHOOL OF FOREIGN SERVICE GEORGETOWN UNIVERSITY

The Edmund A. Walsh School of Foreign Service, Georgetown University, announces a search to fill the Marcus Wallenberg Chair in International Financial Diplomacy. Applications are invited from individuals who have distinguished themselves in the field of international economics and finance, banking and business-government relations combining practical experience with demonstrated academic achievement. In addition to undergraduate and graduate teaching (with a focus on international financial markets and institutions, banking transactions, public policy and financial diplomacy), the Chair holder will co-ordinate the School's extracurricular seminars and mid-management training in these areas. The appointment will be made at the full professor level at a salary commensurate with seniority and qualifications. Applications should be submitted by April 30, 1983 to:

David D. Newsom — Associate Dean
School of Foreign Service
Georgetown University, Washington, D.C. 20057
Georgetown University in an Equal Opportunity Employer.

CONTROLLER EUROPE

Medium-sized international corporation, headquartered in the USA, with extensive operations in the industrial goods field, seeks a Controller for its European headquarters.

The European HQ team is responsible for conducting the business of one of the corporation's divisions in the geographical area of Europe, Africa and the Middle East.

This is an outstanding opportunity for an International Controller, experienced in modern planning, accounting, financial and EDP management methods. He will be working closely with the Divisional General Manager to whom he will report.

The successful candidate will either be a qualified accountant or have a degree in economics or HEC. A minimum of five years' experience in an international management position is a must. Excellent command of English and fluency in German and French are required.

Please send your application with full details about education and business experience under confidential cover to:

J. P. Barthelmé
BLACKHAWK S.A.
13 RUE DU TANIN
F-67380 LINGOLSHEIM

COFO

Junior Investment Manager

Commerzbank Fonds-Verwaltungsgesellschaft mbH (Cofo), Duesseldorf, a wholly-owned subsidiary of COMMERZBANK AG and one of the leading German institutional investment management companies, offers an excellent opportunity to train as an Investment Manager.

You will initially work closely with a team of experienced Fund Managers and will be involved in the complete range of Fund Management activities, with particular emphasis on overseas investments.

You will be encouraged to take early responsibility with a view *to manage your* own funds later.

The candidate we seek will probably be in the mid 20's with up to three years experience in a financial related area. Knowledge of German is required.

To apply please write to:
Commerzbank Fonds-Verwaltungsgesellschaft mbH (Cofo), z.H. Herrn Kammerlocher, Breite Straße 25, 4000 Düsseldorf 1.
Telephone (02 11) 8 27 28 23.

مكاتب الأعمال

INTERNATIONAL APPOINTMENTS

CONTRACTS

Racal recorders for the RAF

RACAL RECORDERS has won its largest single order since the company began trading 13 years ago. The contract is to supply over £2m-worth of multi-channel recorders to the Ministry of Defence (Procurement Executive) for use by the RAF in logging ground/air communications. The recorders are from the International Communications Recorder (ICR) range which provides 24-hour recording per eight-inch reel of tape. The recorder's two decks give complete, hands-off, 48-hour sequential coverage, or 24-hour recording with emergency back-up.

★

A £500,000 contract has been warded by the London Borough of Islington to **J. LAWSON BUILDING**, part of the Lawson Construction Group, for the installation of entryphone and alarm systems, together with other security improvements, at 31 medium-rise blocks of flats comprising some 1,200 homes. Included in the contract are redecoration and improvement of communal areas and improved lighting.

★

CIRRUS EQUIPMENT has been commissioned by Pratt and Whitney to design and build two turbine blade encapsulation plants costing £500,000, which are used in the manufacture of turbine blades used in jet engines. After casting, the semi-finished blade must be precision-machined, but because of the high accuracy needed, and the complex shape of the blade aerofoil the blade cannot be handled directly. The Cirrus machine locates the blade and casts around it a block of metal alloy. The encapsulated blade can be handled and the blade machined. The low melting point alloy is then melted away.

★

RICHARDS STRUCTURAL STEEL, Leicester, has overseas contracts worth over £500,000 for equipment to be used in the recovery of tin. Components are being supplied for the screens and the jigs to be installed into a dredge currently being built in Indonesia. A mobile concentration plant is being shipped to Zaire for the handling of 100 tons per hour of alluvial material.

★

SPACE-TIME SYSTEMS, supplier of computerised theatre box-office management systems, has two orders totalling £300,000. The City of Bradford has ordered a BOCS system, dual PDP/11 44s and 18 outlet terminals; and Preston Borough Council has also chosen BOCS, comprising dual PDP/11s 23+ installed at three booking centres.

★

HINDLE COCKBURNS of Leeds, has signed a contract to supply free floating ball valves for use on the terminal processing facilities of the Statpipe development project at Kaarstoe, near Stavanger, Norway. The contract, expected to exceed £250,000, has been placed by Linde A.G. of Munich acting as contractors to Statoil and includes reduced bore ball valves from 2 in to 10 in sizes in carbon steel and stainless steel, class 150 and 300.

★

METAMATIC SYSTEMS, package handling and controls arm of Metal Box Engineering, is playing a part in the expansion of Europe's largest milk canners, the Cooperatieve Condensfabriek Friesland whose head office is in Leeuwarden, Holland. I. has won a second contract, worth £350,000, to supply equipment and services for a condensed milk canning line to be installed at the C.C.F. factory Wöhrmann in West Germany. To be completed by May, it will operate at 540 cans per minute and handle cans which are 73 mm diameter x 80 mm high and 73 mm x 106 mm.

★

ICL's TRADEPOINT sales division has secured one of its largest orders to date. The contracts total almost £180,000, and entail the supply of computer hardware and software to two insurance organisations, Paramount Insurance Company and R. A. Rushton. React Management Services was the third party software house involved.

★

£2.7m for Tilbury United

Orders worth £2.7m have been placed with **TILBURY CONSTRUCTION**. The principal award, worth nearly £900,000, is from the London Borough of Hounslow for a third year's repairs and renovations to inter-war housing. In Perranporth, Cornwall, Tilbury is to build 40 flats for old people on the instructions of the Greater London Council under a £750,000 contract. The GLC has also called for the construction of a £382,000 access platform and canting brow to a floating pontoon at the Festival Pier on the South Bank of the Thames. A £250,000 order for re-roofing and re-cladding the main naval workshop at RNAS Culdrose in Cornwall has been placed by the Property Services Agency. For British Rail, Tilbury is realigning platforms and providing a new station building at West Drayton under a contract valued at £126,000.

★

BALFOUR BEATTY, a member of the BICC Group, has been awarded contracts worth around £2.2m. The central building unit at Sharston, Manchester, has won two contracts. The first, worth £22,000, is for a Travel-centre and modifications to a canteen at an existing garage, for the West Midlands Passenger Transport Executive. The second award is by Sibec Developements and is valued at £739,000. The work consists of the demolition of existing buildings and the redevelopment of the site involving construction of a three-storey office block in traditional load bearing brickwork. Balfour Beatty has been awarded a management contract, valued at £100,000, by the Royal Borough of Kingston-upon-Thames, as part of the Government's scheme to bring derelict land up to a standard suitable for further development by private funds. Work is due to be completed before the end of March.

★

DELRAC, New Malden, has won a contract worth over £100,000 to supply air conditioning plant for a major office redevelopment by Norwich Union Insurance at Number One Old Bailey.

★

Refurbishing Dukes Hotel

CHARLES HAMMOND has been awarded a contract for the first phase of a planned £1m project by Dukes Hotel for refurbishment of the Edwardian hotel in St James's Place, SW1. This initial contract, valued at £100,000, covers design, building and furnishing of the hotel's first floor bedrooms. Building services account for £55,000 of the contract's value with design and furnishing services making up the balance. Completion of the first phase is scheduled for May. Dukes Hotel envisages spending a further £900,000 in the second and third phases of its refurbishment and anticipates appointing Hammonds to be responsible for the complete design concept and refurbishment of the reception area, banqueting rooms, the bar, the suites and the other bedrooms.

APPOINTMENTS

Managing director for Thomas Cook travellers cheques

The **THOMAS COOK GROUP** has appointed **Mr Michael Brocksom** as group managing director for travellers cheques and wholesale note dealing operations. He was formerly the group finance director. The company is a subsidiary of the Midland Bank.

★

THOMAS MEADOWS has appointed **Mr Robert C. Kelly** to the group's main international board. He continues as managing director of Thomas Meadows & Co., responsible for the group's UK freight services.

★

Mr C. R. Baker, group corporate planning manager of **COMMERCIAL UNION ASSURANCE** will retire on June 30 when **Mr D. G. Beale**, investment manager international, will succeed him. Mr Beale will be succeeded by **Mr M. A. Evans**, investment manager. From June 1 **Mr A. B. Wyand**, a senior investment fund manager in the UK will be appointed first senior vice president of Commercial Union Corp in the U.S. for some 18 months.

★

Mr J. G. Campbell, chairman of Cincinnati Milacron, has been elected president of the **MACHINE TOOL TRADES ASSOCIATION**. He succeeds **Mr J. L. D. Galley**, chief executive and managing director of Giddings and Lewis Frazer. **Mr E. N. Addison**, chairman of the Addison Tool Company, has been elected vice-president.

★

Mr Ned Smith, the **NATIONAL COAL BOARD'S** director of manpower and deputy director-general of the industrial relations department, has been appointed director-general.

★

Mr G. C. Clark has been appointed chief executive of **PAYEN INTERNATIONAL**, a Turner and Newall subsidiary. **Mr G. F. Heron**, currently technical director of T and N subsidiary TBA Industrial Products, has been appointed a director of T and N Materials Research from April 1. He will remain a non-executive director of TBA.

★

Mr Kenneth Weir will retire as deputy chairman of Hogg Robinson (Pension and Financial Planning), part of **HOGG ROBINSON GROUP**, on March 31. From April 1 **Mr R. M. Westwood** has been appointed chairman of Hogg Robinson (Financial Planning), and **Mr G. A. Pearson** becomes managing director. **Mr G. Marshall** has been appointed director for the Midland region. **Mr J. Monaghan** director for the Northern Region of Hogg Robinson (Benefit Consultants) and Hogg Robinson (Financial Planning).

★

Mr Jonathan M. Cowan has been appointed an associate director of **J. BESSO AND COMPANY**. For the past few years he has worked in the London and overseas reinsurance market in a broking and production role with the Stewart Wrightson Group.

★

Mr J. G. Parrish, a director of **LLOYDS BANK INTERNATIONAL**, is taking early retirement from the bank, at his own request, with effect from May 31.

★

Mr William T. Buxton has been appointed sales director of **FAIRLINE BOATS**, Oundle. He was sales manager.

★

Mr R. K. Bagri, chairman of Metdist, has been appointed to the board of **THE METAL MARKET AND EXCHANGE COMPANY** from April 1.

★

METAL CLOSURES VENUS PACKAGING has appointed **Mr Jack Elliott** as chief executive. He was chief executive of Rosslite, a Metal Closures Group Holding Company controlling three operations in varying sectors of the plastics industry.

★

Following acquisition of **INDUSTRIAL AND TRADE FAIRS HOLDINGS** by Reed International, **Mr Bryan Hope**, a director of Reed Publishing and chief executive of Business Press International, has become chairman. **Mr Peter Yapp**, a director of Business Press International, has become chief executive. **Mr Christopher Garrett**, currently deputy chief executive, and **Mr John Legate**, currently group sales director, have been appointed executive directors. **Mr Derek Lyons**, previously chief executive, has resigned.

★

Mr Michael B. Taylor has been appointed a director of **CITY FINANCIAL SERVICES**, a wholly-owned subsidiary of Industrial Finance and Investment Co. He will be responsible for broadening the group's involvement in property development finance.

TECHNOLOGY

EDITED BY ALAN CANE

TI DESIGN TIMED TO MEET NEW REGULATIONS

How to absorb crash energy

BY KENNETH GOODING MOTOR INDUSTRY CORRESPONDENT

EVERY working day in Britain there is at least one under-run collision—where a light vehicle buries itself under the back of a truck.

To combat this menace new legislation insists that from May 1 all trailers over 1.02 tonnes unladen weight and all rigid vehicles over 3.5 tonnes gross weight must be fitted with rear under-run protectors. This will involve about 54,000 vehicles a year.

TI Tube Products, part of the TI Group (formerly Tube Investments) has carefully timed the introduction of its new TI Rearguard to coincide with the advent of the new regulations.

The key to the effectiveness of the new TI Rearguard is a process known as inversion. The two cartridges which take the *strain* and *absorb all the energy* when a collision occurs are each made of two steel tubes of different diameters. The smaller one is turned back on itself at one end, then peripherally welded to the open end of the larger tube.

When subjected to a compressive force, as happens in a collision, the small tube completes its inversion, turning outside itself as it is forced into the larger tube.

Mike Page, designer of the *TI Rearguard*, says this complex process is "like taking your socks off. The smaller tube is turned back outside itself as it collapses, exactly the way a sock turns inside out when you pull it down, from the top, over your foot".

He hastens to add, however: "Obviously there is more to it than that. A great deal of technological research went into the final design to get the energy-absorbing properties exactly right".

But this research was right in the mainstream of TI Tube Products' operations because the company is the UK's largest *producer of electric resistance* welded steel tube, with extensive experience in tube manipulation and fabrication—mainly for the transport industry.

TI claims its Rearguard is half the price of other energy-absorbing under-run protectors currently available and should only require the replacement of *its collapsible cartridges after* a collision.

The TI system is marginally more expensive than rigid under-run protectors which comply with the new laws but after a collision a rigid unit has to be completely replaced.

The cartridges in the TI system, which require no maintenance during normal service, can be quickly fitted and allow a vehicle to get back on the road.

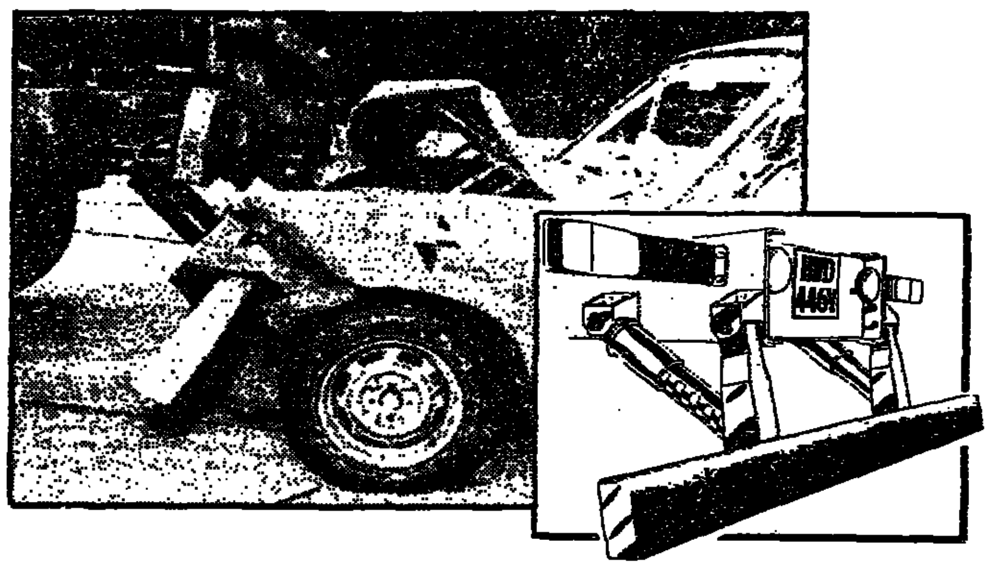
TI reckons that the simple Rearguard kit takes only two hours to fit

The other advantage claimed for the TI Rearguard is that *it can absorb collision energy* equivalent to a one-ton car striking a stationary commercial vehicle at 40 mph—four times the effective speed required by law.

Paul Harris, TI Tube Products Marketing Manager, explains: "What we asked ourselves was: Is the minimum standard required also enough to prevent extensive intrusion damage to axles, tyres and brake pipes on the commercial vehicle *involved?*

"By making the Rearguard *able to absorb a much higher level of collision than the legis*lative standards require it not *only increases the chance of car* occupants surviving a rear under-run collision, it also means a commercial vehicle is more likely to be driveable afterwards."

More from TI Tube Products, PO Box 13, Oldbury, West Midlands B69 4PF (021-552 *1511).*



The result of an impact between a stationary Rearguard equipped lorry and a saloon car travelling at 30 mph. Energy absorption has reduced damage to the passenger compartment of the car

POWERFUL FORCE IN INTERNATIONAL MARKET

Swedish merger results in new grinding machines

BY MAX COMMANDER

A MERGER of two Swedish companies—Jungner Maskin and Nyberg and Westerberg has resulted in the formation of a new company entitled, Jungner N & W AB (JNW) and the announcement of two completely *new machines in the metal* grinding field.

The US-450 is a precision tool grinding machine with a two axis digital readout. The PLS-600/300 is a hydraulically driven surface grinder intended mainly for toolroom applications.

Rapid

JNW says that it has also taken over manufacture of the CNC cylindrical grinding machines, the 10 MD and 10 VP which were made formerly by Bofors-UVA. The latter are *machines for the rapid grinding* of stepped shafts for the automotive, electrical, pump and compressor *industries.*

The *merger*, undoubtedly, brings together two companies which could provide a powerful force in an international market. Jungner's manual and automatic range of precision tool grinding machines, particularly its fully programmable PSA-600, and Nyberg and Westerberg contributing surface and cylindrical grinders *ranging from bench-top to auto*mated production lines, suggests that about 70 per cent of output could be exported through Jungners network of overseas agents.

The US-450 tool grinder has an unusual triangualr shape which has been achieved by mounting *the cross slide on* vertical bearings. This enables the operator to inspect the work from back or front with duplicated handwheels allowing grinding from both positions.

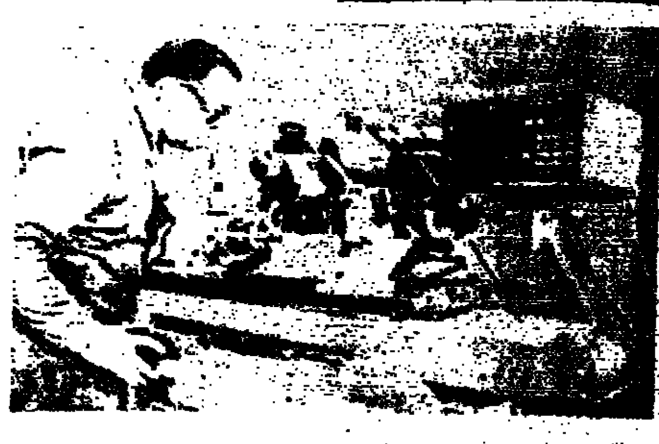
The PLS-600/300, the hydraulic surface grinder, has a 600 x 300m clamping surface, 770m longitudinal traverse and an unusually large cross *traverse of 340 mm.*

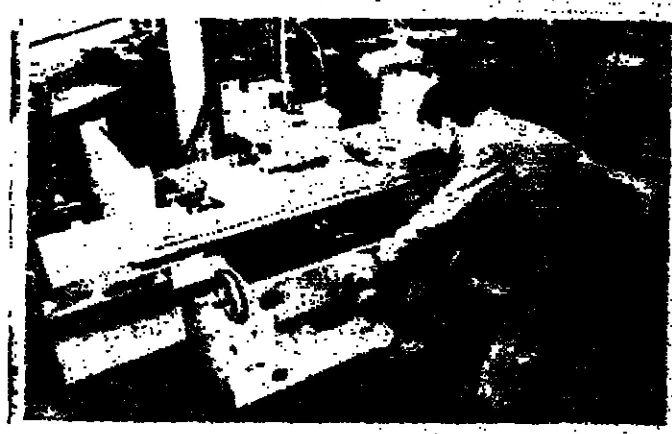
It is interesting to note that the new company is 45 per cent owned by its employees, and all production has now been concentrated at the former N & W works at Akersberga near Stockholm.

Details

Mr Bo Hallberg, formerly *managing director* of Nyberg and Westerberg, has been appointed managing director of *the new company.*

Full technical details of the new machines are available direct *from* Sweden (Tel: 46 764 640 60, telex 19592) or in London, Eibis International, 3 Johnsons Court, Fleet Street, (01-353 5151).





The US-450 tool grinder (top) has the cross-slide mounted on vertical bearings. The PLS 600/300 is shown in the lower *picture*

Casting

Valve package

EMB, the West Bromwich, West Midlands, company which manufactures pneumatic pressure die casting machines is *to market* a valve package, which it claims, can increase the output of the injection ends by 25 to 50 per cent according to the model.

The development is a by-product of work carried out by the British Non-Ferrous Technology Centre as part of the Zinc Development Association Technology Transfer *Project for zinc die casting.* This is partly government funded.

EMB *at Moor Street,* West Bromwich, or the Zinc Development Association, 34, Berkeley Square, London (01-499 6636), will provide more information.

Hardware

High speed processor

A VERY high speed flexible hardware processor has been launched by Micro Consultants for its Intellect 100 *image processing* systems. Called the Real Time Analyser, it allows manipulation of grey level and binary *pictures. More information* on the system is available from Micro Consultants on 01-668 4151.

Microcomputers

Acoustic coupler

A BATTERY-POWERED acoustic coupler for use with the Epson microcomputer *is* now available from Norbain Micro, the Reading-based microcomputer company. The company has adapted the Sendata 700 series acoustic coupler and the HX-20 hand-held microcomputer from Epson so that the acoustic coupler draws power from the microcomputer's internal *power supply.*

An acoustic coupler allows a computer to send and *receive information over the* telephone. The Norbain coupler transmits information at the rate of 300 bps. More details on 0734 752201.

Tooling

Spark erosion

HIGH Tech Developments of Weston-super-Mare has developed a portable spark erosion machine which can be mounted directly on to workpieces *too* large to fit into existing tanks.

Portaspark 2000 can also be fitted to most machine tools *to operate as a conventional* spark erosion machine. It costs less than £1,500 and, says *the company, is an attempt to* "stem the tide" of imports in the field.

High Tech Developments is at Quantock Road in the Somerset town (0934 23156).

Medicine

Heart monitor

AN astrophysicist at Tel Aviv University has developed an electronic device—originally designed in conjunction with Nasa—which might pave the way for better heart monitoring and, perhaps, a new generation of electro-cardio*graph machines.*

Professor S. Sadeh and Professor S. Laniado noticed that their device for measuring pulsars could be adapted for heart rhythym measurements and could also help *blood pressure* and respiration monitoring. The work is still at an early stage but the professors will be glad to give more information. Sadeh is at Tel Aviv University, Ramat Aviv, and Laniado at Ichilov Hospital, Tel Aviv.

Biotechnology

Industrial scale

THE Biotechnology Group at Harwell has developed a con*tinuous electrophoretic* separator for isolating and purifying biochemical materials on an *industrial scale.* The separator has been developed with support from the Department of Industry's Minerals and Chemicals Requirements Board.

Harwell says that a single machine can process 2.4 litres of material per hour allowing up to 29 separate fractions to be drawn off.

***The separator* is to be manufactured and sold worldwide by CJB Developments, a John Brown subsidiary. This company sees uses for the machine in the commercial scale production of high value pharmaceuticals, the fractionation of blood cells and plasma, and in biotechnology research and development. More informa*tion* is available on 0235 24141.**

THE ARTS

Record Review/Max Loppert

Rameau, Handel, Gluck

The Rameau rediscovery continues, with the English Bach Festival at its forefront. Just as the 1981 EBF production, at the *Royal Opera House*, of *Castor et Pollux* could be reckoned the festival's most successful theatrical venture thus far, so this Erato recording, based on the staging, proves just about the most successful Rameau opera recording yet issued. It is manifestly far from the ideal in many details, yet it transports the listener into the elevated, musically enthralling world of Rameau masterpiece with conviction, style, and address.

This *Castor et Pollux* is the 1754 score, a radical revision for a revival 17 years after the premiere. Of the 1737 original there already exists a Nikolaus Harnoncourt recording (on Telefunken); and the two performances bearing the same title demand comparison—as Rameau operas, as Rameau interpretations. In brief, the later work, though it jettisons some beautiful numbers, sharpens the music drama—as Graham Sadler's excellent booklet essay insists, the "reconstructed and tauter libretto . . . is arguably the best the composer ever set." And though under Charles Farncombe's soberly secure direction Rameau's orchestral genius shines less brilliantly than under Harnoncourt's (the later *Castor* is in any case orchestrally less fanciful), the proportions of the whole are much more impressively surveyed without Harnoncourt quirks.

Castor, turning on the virtues of brotherly love, intrepid resolve, and the ultimate reward of virtue, may create a less compelling theatrical entity than *Hippolyte* or *Dardanus*; but its composer was never more tenderly lyrical, and the later version, above all in its ethereal close, distils that lyricism to a magical radiance. The main weakness of the Erato performance is that not all its singers are worthy of its best members—Jennifer Smith (wonderfully distinguished as Telaira), Peter Jeffes, and in smaller roles Gillian Fisher and Henry Herford. The Pollux of Philippe Huttenlocher (single native linguist of the cast) is stylish but vocally hooty, Cynthia Buchan's Phoebe impassioned but overly vibrant. In the end, though, the satisfaction of hearing a great Rameau opera worthily recorded outweighs every passing qualification.

The degrees of polish, instrumental and directorial, missed in Rameau are quickly evi- [illegible] an entry in the catalogue hardly less welcome; for though the work has figured there previously (the most complete account of the title role remains Jennifer Vyvyan's in the Oiseau-Lyre set of the 1950's), neither of those earlier recordings approaches Eliot Gardiner's for poise and refinement of style. After the heavy-handed opulence of the recent Covent Garden *Semele*, the lightness is tonic, though ungratefully one begins at times to wonder whether the direction of an excellent period band isn't even *too* frisky and feathery—the grandeur and pathos that are also part of *Handel's* miraculously multi-faceted conception are here slightly underweight.

In the singing likewise: Norma Burrowes, brave and fresh, doesn't finally persuade us that for all her vanity and ambition Semele is more than a charming piece of fluff.

Rameau: Castor et Pollux. Peter Jeffes, Philippe Huttenlocher, Jennifer Smith, Cynthia Buchan, Lawrence Wallington, etc./English Bach Festival Singers and Baroque Orchestra / Charles Farncombe. Erato digital NUM 750323 (3 records).

Handel: Semele. Norma Burrowes, Anthony Rolfe Johnson, Della Jones, Catherine Denley, Timothy Penrose, Robert Lloyd, etc./ Monteverdi Choir, English Baroque Soloists/John Eliot Gardiner. Erato STU 714453 (3 records).

Gluck: Orfeo ed Euridice. René Jacobs, Marjanne Kweksilber, Magdalena Falewicz / Collegium Vocale Ghent, La Petite Bande / Sigiswald Kuijken. Accent ACC 8223-4 (2 records).

Gluck: Orfeo ed Euridice. Agnes Baltsa, Margaret Marshall, Edita Gruberova/ Ambrosian Opera Chorus, Philharmonia/Riccardo Muti. MHV digital SLS 5255 (2 records), also on cassette.

Gluck: Orfeo ed Euridice. Janet Baker, Elisabeth Speiser, Elizabeth Gale/ Glyndebourne Festival Chorus, LPO/Raymond Leppard. Erato digital NUM 750423 (3 records).

Anthony Rolfe Johnson's warm-toned Mighty Thunderer croons in "Where'er you walk," the biting attack of Della Jones' Juno is sometimes assured by aspirates; Patrizia Kwella's Iris coos, David Thomas' Somnus lacks legato. Enough of carping—few Handel opera recordings are as good as this, few capture his pleasures in such profusion.

Three *new* recordings of Gluck's *Orfeo* enter an already crowded field. At first one must regret the failure of the record companies to redirect some of their efforts towards filling aching gaps elsewhere in the composer's discography. Then one may recall that the title of *Orpheus* belongs to at least three authentic and quite distinct Gluck operas, as well as to several others, arranged by later hands; and that fully worthy versions of any of them are hardly plentiful. The latest *Orfeo* is not quite the same case of needless repetition as, say, the latest *Tosca*.

Even so, only one of the three under review here can be judged any kind of a success. And this, alas, is neither of the performances of the 1762 *Orfeo* —the short, unadulterated Vienna original, purest form of Gluck's revolutionary vision, which has proved in the past and now proves once again strangely resistant to effective translation onto disc. The Accent *Orfeo* possesses at least the intrinsic interest of being the first Gluck opera recording based on period instruments and performance practices. But limpid and airy though the playing of La Petite Bande may be, it is channelled to no dramatic purpose; there is not a hint of theatrical impulse in an opera that, without just such, collapses into piety and dullness. Rene Jacobs, a countertenor, may be a male Orpheus singing at proper pitch; but a countertenor comes hardly closer to the *alto castrato* sound than female alto, and for me *Mr Jacobs' voice is an unlovely* sound at all points of its compass.

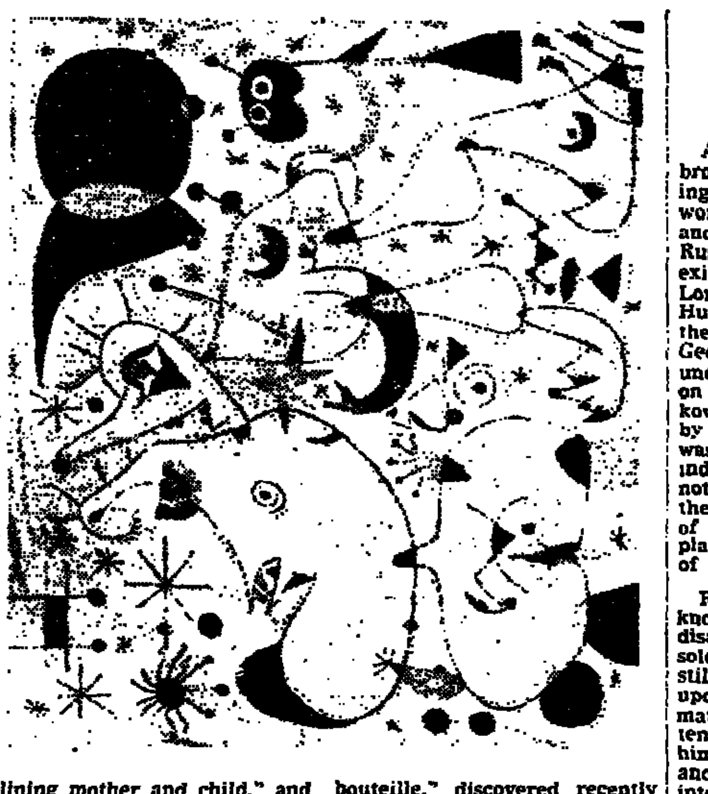
Via a different route Muti's *1762 set reaches an even more* disappointing end—thickly carpeted in its string articulation, hushed and sanctimonious in its manner, a Sunday School *Orfeo* unauthentic from every point of judgment. It is the conductor above all, one feels, who prevents Agnes Baltsa's Orpheus from fulfilling most of its considerable potential, from communicating anything except a generalised, distanced pathos. EMI's *digital recording* process creates its now-familiar aural no-man's land.

The third *Orfeo*, in all senses something entirely different, uses the 1889 Ricordi score—that is, Gluck's radical 1774 Paris reworking for a tenor hero as recast in *1859* by Berlioz *for* Pauline Viardot and later "back-translated" into Italian and newly re-ordered. This Glyndebourne-generated performance, preserving Janet Baker's final operatic appearances last summer, was alive in the theatre; that vitality has been infused into every groove of the five Erato record sides. Raymond Leppard is a superbly theatrical Gluck conductor—which *means that* he has mastered the difficult art of balancing energy and spaciousness, passionate emotion and smoothly moulded line; and Dame Janet, despite moments of frayed tone, is again what she was in the theatre, one of the handful of great Gluck artists.

Auction record for Miro Nocturne

Sotheby's major spring sale of Impressionist and modern pictures yesterday could not emulate Christies' on Monday but did quite well. It totalled £2,817,430, with 28.17 per cent bought in. The high bought in percentage was partly due to the failure of Monet's "Plage de Juan-les-Pins" to find a buyer. It was reserved at £220,000.

The top price was the *£308,000 paid* by a private buyer for "Danseuse bleue," a typical ballet scene by Degas. There was a record price of £297,000 paid for a work by Miro, his "Nocturne" (*illustrated here*). The previous best for a Miro was £167,347 paid in 1980. "La pere Melon sciant du bois" by Pissarro went to JPL Fine Art for £214,500.



Other high prices were the £187,000 for a Seine side scene by Renoir; £176,000 from Leslie Waddington for a bronze "Reclining mother and child," and £132,000, a record for a marble by Rodin, for "Fugit amor," which had sold for £41,800 in 1980. A previously unknown work by Juan Gris, "Pot et bouteille," discovered recently in an attic, did well at £68,200, and "Thorn head," by Graham Sutherland, sold for £19,800, a record for this artist.

ANTONY THORNCROFT

New York Theatre/Michael Coveney

Middle Ages to Extremities

The only new play of note on Broadway this season has been David Hare's *Plenty*, and that comes off at the weekend. Off Broadway is, in effect, the new Broadway, and it is here that audiences find new drama at $20 a ticket, handsomely designed and presented and often featuring well known actors.

A good example of the new respectability of off Broadway is A. R. Gurney's comedy at the Theatre at Saint Peter's Church, *The Middle Ages*. It is a charming, slight and sentimental play, deftly and indeed beautifully written, but strangely lacking in anything resembling a knockout punch. The Shubert Organisation is involved, so a Broadway transfer is no doubt in the offing. John Lee Beatty's design is a solid oak-panelled club room in a large Eastern seaboard city. The action covers 30 years and charts a love affair between Barney and the girl who has married his brother, Eleanor.

Family social occasions—a funeral, a wedding, a christening—bring the cast of four together and we see them at different stages in their lives, but not in consecutive order. Barney's father, Charles, and Eleanor's mother, Myra, fret and fuss over their respective children before reaching an emotionally arid compromise themselves.

As always with Gurney, the Bostonian WASP environment is richly observed and exactly communicated. David Trainer's production, however, is seriously flawed in the acting department. Jack Gilpin as Barney looks and sounds as if he forgot to remove the coat hanger before donning his jacket. There is a painful rigidity to everything he does and the performance never really explains the dangerous attraction he offers Eleanor.

The unease I felt is perhaps to do with the fact that Mr Gilpin is obviously playing what he rightly sees to be a comedy of manners. A similar sort of self-consciousness afflicts André Gregory as his father. Mr Gregory, the former off Broadway guru who was last seen on film having dinner with Wallace Shawn, works hard at exuding polished fastidiousness with the result that he achieves exactly the opposite. This is light comedy acting by numbers, full of jerks and twitches, resembling the signals of a man who knows the semaphore but doesn't understand the message.

Ann McDonough, on the other hand, has a touching warmth as Eleanor. The best performance of the evening is from Jo Henderson as Myra, a woman who makes the best of life from the little it offers her.

Extremities by William Mastrosimone at the Westside Arts Centre is a much cruder play, but it sets the pulse racing in a way *Middle Ages* cannot. Using all the suspense devices of the cheap thriller, *Extremities* is nonetheless a serious piece about rape. Susan Sarandon, best known for the wonderful performance opposite Burt Lancaster in the film *Atlantic City*, turns the tables on her assailant (James Russo) and cages him up in the hearth of another high, wide and handsome off Broadway setting.

There are plenty of hysterical twists and turns, but the stage is alive with the sound of a real issue, and Miss Sarandon's central motivation—"It's him or me"—fuels a performance of rare power and conviction.

Both of Caryl Churchill's major reent plays, *Cloud Nine* and *Top Girls*, have been and gone in London, and it says a lot for New York that both are still running here. The new American cast of *Top Girls* at the Public Theatre is very fine. Especially notable are Lise Hilboldt as the Thatcherite careerist Marlene and Linda Hunt as a splendidly Muggeridgean Pope Joan.

Rostropovich and Georgian

Max Loppert

An interesting coincidence brought to London on two evenings at the Festival Hall, the world's leading Russian cellist and one of his rising young Russian pupils, both now in exile: Rostropovich with the London Philharmonic under Hugh Wolff on Monday, playing the Dvorak concerto, and Karine Georgian with the Philharmonia under Michael Tilson Thomas on Tuesday, in the first Shostakovich. The proximity was not by design—for Miss Georgian was a late replacement for the indisposed Yo Yo Ma—and nothing conclusive was proved therby, apart from the pleasure of hearing the instrument played with two different kinds of mastery in close succession.

Rostropovich's Dvorak is well known; it was good to find, after disappointment with his recent solo recital, that the cellist con still train his concentration upon the instrument with matchless candour and intensity when the spirit takes him. In a way, the performance remains almost *too* intense: Dvorak's lyricism, pressed in a close, passionate embrace, releases all of its warmth but perhaps less than all of its simple charms (instructive to note how, on reaching the first heart-easing strains of D major, *dolce e molto sostenuto*, Rostropovich squeezed each phrase to its maximum). There was a little roughness in the passagework, but also a great releasing glow at the climax of each movement, a focusing of dramatic intent well aided and underwritten by the orchestra and its young American conductor (Rostropovich's Washington orchestra associate).

Ideally, though, one might have liked to invite the two players to exchange assignments—Rostropovich to undertake the Shostakovich concerto written for him, which suggests his stamp of identity in every bar, Miss Georgian to demonstrate her beautifully mettled technique, firm bowing, impeccable phrasing, and apparently quite unassertive personality in Dvorak's dramatically less taxing invention. As it worked out, the Shostakovich was delivered accurately but with little bite —the brooding solo cadenza, which in its dedicatee's performance evokes a conceptual - centre - point towards which everything moves and from which the finale naturally grows, went limp. The accompaniment, carefully graded to the soloist, matched her playing in lack of dramatic vitality—the feeling of untamed Tartar energy at the work's beginning and end was notably reduced.

Another pleasing coincidence was the provision of substantial amounts of Berlioz in the second halves of both concerts. Mr Wolff, in five movements of the *Romeo and Juliet* symphony, revealed impressive affinity with the composer, the playing of the LPO betokened not just flair and energy but a sustained sympathy with the incomparable eloquence of the long melodic lines. (In the Love Scene some of a rubato was overheated but as the cause lay in an evident response to the greatness of the music, exaggeration was easy to condone.) Mr Tilson Thomas's *Fantastic Symphony* with the Philharmonia was, by contrast, an odd mixture of brilliant contrivance and scrappy, short-winded imagination (particularly in the second movement, its waltz rhythms lumpily traced). Neither performance seemed to have been rehearsed to an absolutely sufficient degree, as detail betrayed on both occasions. Even now, Berlioz retains the uncanny ability to expose the slightest sign of orchestral complacency or inattention.

Gloriana/Logan Hall, WC1

Andrew Clements

Next season the English National Opera is scheduled to revive its production of *Britten's Gloriana*. On Tuesday the Camden Festival provided a good primer for that occasion, when the Chelsea Opera Group under its conductor Nicholas Cleobury gave a concert performance of the opera with a cast generously sprinkled with ENO singers. On its own terms the evening must be accounted a success, even though the orchestral score implies more sumptuousness and virtuosity than the COG Orchestra (largely amateur) was able to provide. On more profound operatic terms, however, *Gloriana* presents a whole galaxy of problems to audience and interpreters.

It has become almost as *fashionable to regard it as* Britten's grievously abused masterwork nowadays as it was smart to deride the piece after its gala premiere at Covent Garden in Coronation year, 1953. It's seen in some quarters as an artful juxtaposing of the personal and public tribulations of the great English monarch (Elizabeth I) in which character development necessarily plays no great part. Elizabeth's *dilemma is the thing: should* she have Essex executed because of supposed treason, or spare him out of her own fondness? Yet in truth this moral problem is posed only in the last third of an overlong opera; the rest is filled with embarrassing set pieces, pastiche and semi-pastiche.

In the final analysis it is the lack of psychological depth that is the overriding fault. Among all the flamboyant pageantry (that comes so self-consciously from the least public of all English composers), the main characters appear in puppet-like relief; no one is given a chance in this opera of set pieces to explain his or herself; they remain as firmly wedded to the neutralising distance of the 16th century at the end of the opera as they do in any dry history text book.

As if to mitigate this, Mr Cleobury devoted a good deal of energy to the masques and dances, to those parts of the score in fact that have survived in the concert hall. They emerge usually as whimsical but passably charming; in the context of the opera, however, they seem irritatingly prolix. *In the* central role in a scenario without a true hero or heroine, Lois McDonall brought a measure of *imperious command to* Elizabeth, though she could not make the closing, spoken moments anything but bathetic. Ian Caley's Essex was forthrightly projected; it is measure of the failure of the work that this character seems inevitably overweening, and Mr Caley caught the stridency well.

To Sir Robert Cecil, Secretary to the Council, Henry Herford brought smooth, clear lines; Tom McDonnell did as much as he could with the pomposities of Sir Walter Raleigh. The supporting female roles were taken with uniform excellence: an incisive Penelope Rich from Helen Walker, neatly turned Lady-in-Waiting from Eileen Hulse, and gloriously rich Countess of Essex from Jean Rigby. Robert Dean's lightly lyrical Mountjoy and Mark Richardson's drily cynical Ballad Singer also deserved more than honourable mentions.

La Vie en Rose

Antony Thorncroft

Unlike other capital cities and tourist centres London at night is only marginally more exciting than Swindon on a wet Sunday. For residents tucked in before their TV set or at a favourite restaurant, this matters little but any energetic visitor must be frustrated at the lack of anywhere glamorous, respectable and relatively inexpensive to soak up Big City *sophistication*.

But things could be looking up. Although all hope seems to have been abandoned for "I," the revue planned for the Piccadilly Theatre, around the corner at the old Windmill Paul Raymond has successfully launched "La Vie en Rose." He has also put in a bid for the Piccadilly; just to rub salt in the competitive wound.

The key facts about "La Vie en Rose" are that it costs £25 a head for show and dinner (£10 *for show only*), the drinks are not outrageously above pub prices, and the cabaret is spot on target for entertaining that lively overseas businessman or regional sales manager up in town for a convention. It is brazen enough to be interesting, but never loses its good *humour*. *Sex is parodied rather* than ridiculed or taken seriously.

The current display, called *Bizzare* just in case anyone is myopic enough to miss the point, fills the stage with bodies of *every sex* imaginable, miming to some rather good records. The game is to spot the real women from the let's *pretend women, which is easy* enough in the under-costumed numbers but harder in the dance routines. It is a safe bet though that anyone impersonating Judy Garland, Bette Midler, or Marlene (cruelly caricatured as a lifeless dummy) has to shave their legs.

Just when the sight of flesh starts to flag Kit and The Widow bounce on stage with an up dated version of Cole *Porter's "Let's do it"* in the style of the Western Brothers, although I cannot remember the Western Bros losing their *clothes during their act. No* matter, the sophistication was there, and even the party of Germans from Wella hair products seemed to appreciate this sliver of British comic understatement.

The Rape of Lucretia/RNCM

Martin Dreyer

Up until the epilogue Malcolm Fraser's new production of Britten's first chamber opera at the Royal Northern College of Music in Manchester is as memorable for its classic lines as for the high quality of voices on display. The action is set upon a marble trapezium, exactly mirrored by a plain back drop. Pitch blackness encroaching all round isolates the playing area—and the legend itself.

Up to four crumbling columns are the only suggestion of antiquity. What lends a *sense of place to this basically* stark canvas is an assortment of Tuscan landscapes and *Roman temples*, projected on to a permanent gauze curtain at front stage. The effect is remarkably three dimensional. Marty Flood's designs and Philip Edward's lighting must share the credit.

Deborah Stuart - Roberts brings considerable intensity and a wide dynamic range to the Female Chorus. She will command even more attention when she can control her twitching fingers and find a slightly higher, more distinctive focus for her vowel sounds. As Male Chorus, Nicholas Buxton is more consistently aggressive, too much so to reflect his alter-ego, the safe but non-too-head*strong Tarquinius of Gwion* Thomas. Yvonne Howard at first misses Lucretia's passionate under-currents but finds the right pathos in her lower range *later*. Collatinus needs a slightly heavier bass than Clive Bayley has yet achieved, but Ian Platt is a superbly insinuating Junius. Louise Winter and Meinir Williams *make charming, if chaste,* attendants.

The doubtful relevance of Britten's Christian epilogue might even succeed here but for an accompanying slideshow of modern military violence, ranging from the trenches to Hiroshima. Such a gratuitous descent from the universal to the particular is bound to irritate an audience's intelligence. It cannot undermine *the memory* of David Jordan's individualistic orchestra, sometimes too *bold*, but always incisive, especially in harp and cor anglais. There are further performances on Friday and Sunday.

Arts Guide

Music/Monday. Opera and Ballet/Tuesday. Theatre/Wednesday. Exhibitions/Thursday. A selective guide to all the Arts appears each Friday.

March 18–24

Exhibitions

WEST GERMANY

Düsseldorf, Kunsthalle: The show offers a comprehensive *survey of* Henri Matisse. The 80 paintings include works on loan from Paris, New York, London and Moscow. They are supplemented by a dozen sculptures. The focal point of the show is the gigantic La Danse. Ends April 4.

Cologne, Rautenstrauch-Joost Museum: The only German venue of an exhibition featuring 2,000 Mexican wooden dance and death masks. Also Pre-Columbian objects on loan from the Instituto Nacional de Antropologia e Historia in Mexico City. Ends May 15.

Hanover, Kestner Gesellschaft, 18 Warmbüchenstrasse: The complete *graphic work of* Oskar Kokoschka, the Austrian expressionist, carefully guarded against daylight so as not to damage the delicate water colours and drawings. Ends May 15.

Mannheim, Kunstverein, 58 Augusta Anlage: the only German venue of a roving exhibition with sculptures and paintings by Michael Sandle, a British artist. Ends March 27.

Berlin, Akademie der Künste, 10 Hanseatenweg: More than 500 paintings, drawings, photographs, posters and sketches from between 1945 and 1955 by German artists. Ends March 27.

Munich, Lenbachhaus, 33 Luisenstrasse: More than 200 paintings by the Russian artist Alexej von Jawlensky (1864-1941), and 15 works of friends and contemporaries. Ends April 17

PARIS

Giorgio di Chirico: Beaubourg is showing some 100 paintings and 40 drawings by De Chirico, including the most important ensemble of his metaphysical work ever. Centre Georges Pompidou, Grande Galerie, *5th floor*. (2771112). Closed Tue. Ends April 25

Sèvres From 1850 To Our Day: A panorama of the Sèvres production from the Second Empire creations to contemporary abstract designs with – at its centre – an enchanting ensemble of monumental belle époque vases in pastel colours. *Louvre des Antiquaires*. 2 Place Palais Royal, 11am – 7pm. Closed Mon. Ends April 10.

VIENNA

Museum des 20. Jahrhunderts: Painters of the American West and circles of the world. Art and culture from the world of the Red Indians. (End March 13)

LONDON

Hayward Gallery: Landscape in Britain 1850-1950. A lucky-dip of an exhibition rather than a close scholarly exercise, but none the less enjoyable for that. The good things are there to be discovered among the interestingly moderate and even sometimes rather awful greater part; and if some of the great names are not too well represented, Whistler and Sickert for example, enough of the more obscure are all the more in evidence, and on their very best behaviours, from minor pre-Raphaelites to fifties expressionists. Ends April 17.

The Barbican Gallery: Rodin and his *Contemporaries – the great formative* genius of modern sculpture seen for once not in isolation, but in his true and proper context, his work itself conditioned by the romantic mid-century tradition, and reflecting the achievements of his great contemporaries, Degas for example, and running on to affect directly the next generation – Picasso, Bourdelle and Maillol conspicuous among them. Ends April 10.

NEW YORK

Metropolitan Museum of Art: Those overwhelmed by the sheer volume of art at the Vatican will much *appreciate the present loan of 230* choice pieces, including the Apollo Belvedere, Caravaggio's The Deposition and even modern pieces by Matisse in what the museum is calling its show of a decade. Ends June 12

Asia Society: The Silk Route and the Diamond Path follows the spread of culture and wealth in Buddhist art from the 7th to the 17th centuries, with works in all media borrowed from the British Museum, the Cleveland Museum *and Los Angeles*. Ends April 3.

Whitney Museum: The 75th anniversary of the exhibition of The Eight, the *group* surrounding artist and teacher Robert Henri, is being remembered with nearly half of the 60 paintings first shown at the New York Macbeth Galleries in defiance of conventions established by the National Academy of Design. Besides Henri, works by Luke, Lawson, Shinn and Davies will recreate the origins of modern art in America. Endes March 20.

WASHINGTON

National Gallery: Seven major series by sculptor David Smith are represented in the 60 large works in welded metal included in the exhibit. *Ends April 24 (3572700)*

Corcoran Gallery: The latest in the Corcoran's Biennials, a tradition going back to 1907, concentrates on regional artists of the American west with 30 living painters represented by 106 works. Ends April 3.

CHICAGO

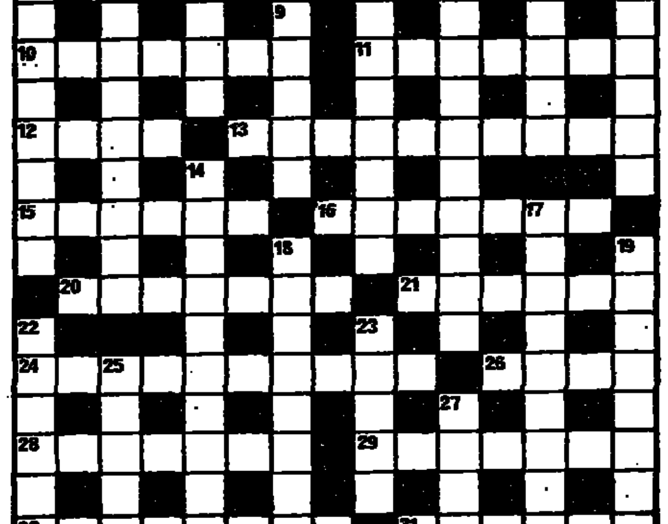
Chicago Historical Society: Besides a permanent collection with a visual biography of Lincoln, audio-visual account of the great fire and daily demonstrations of weaving and candlemaking, this regional institution has a special show of something Chicagoans must know well: cold-weather clothing over *the last* century. Ends May 1.

BRUSSELS

From Worth to Chanel: clothes, drawings, object d'art, prints etc from the Belle Époque to the Twenties. Musée de la Costume et de la Dentelle.

Printmakers from the Atelier Aghib: British Council (ends March 18).

F.T. CROSSWORD PUZZLE No. 5,130



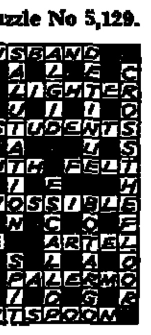
ACROSS

1, 4 8 down's programme — biography of the viewer? (4, 2, 4, 4)
10 Straits: cane could be the answer (7)
11 Course of medieval study—an unimportant matter? (7)
12 See 29 across.
13 No lady—and no oil-painting? (5, 5)
15, 16 Study the form of 24 26 across? (3, 3, 4, 3)
20 Kept horses in bed last? (7)
21 He's an archdeacon—this is where he hopes to go (6)
24, 26 Been mild for a change, thrice round: unique spectacle in 4 across? (5, 5, 4)
28, 23 down Work of art, if Ken is involved, for joint use? (7, 5)
29, 12 across Few firms are restructured by employer of 28 across 23 down on 24 26 across (7, 4)
30 "Let the people sing" (people's version, inverted) for clothes (8)
31 *How the people sing reforming* the unions (6)

DOWN

1 As far as the hour is concerned—use a stop-watch on Ernie? (4-4)
2 Unfortunate result I shall put into operation? (3-6)
3 A little way to a little island? (4)
5 Defeated Tories? Decisively (8)
6 Train people to wear mainly shifts (10)
7 I get faint about love, in a manner of speaking (5)
8 No name for Andrews—or is it? (6)
9 One of two calls removed from 24 26 across (5)
14 Charge twice as much for two feature films (6, 4)
17 Do they make exposures of Unilever's? (9)
18 Danger signal to port? (3, 5)
19 Fairy tale writer and Irish Pole? (8)
22 Keeps an old punishment (6)
23 See 28 across
25 Repeat performance in the poorer unions (2-3)
27 Press club? (4)

Solution to Puzzle No 5,129.



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Thursday March 24 1983

Labour with a French accent

IT IS ironic that just as the British Labour movement has become committed to the idea of withdrawal from the European communities, it has also begun to show a less insular approach to devising its new policies. The new TUC-Labour Party statement on economic *management has quite a strong* French accent, with its emphasis on planning at the micro level, directed flows of industrial capital, price control powers, shorter working hours and the rest. It also, unfor*tunately, reflects the autarchic*, isolationist approach beloved of the French left, but wisely rejected by a Socialist government in power only this week.

All this will no doubt seem to Labour's critics, and notably those in the Social Democratic Party, a long way from the advertised purpose of this document—to show how Labour could deploy strongly expansionist financial policies with*out reigniting cost inflation.*

It is fair to suspect that a good deal of the material in the statement—a reiteration of well-known Labour policies—is diversionary, and intended to conceal the fact that the two Labour partners have not got very much to say about inflation. Since some unions continue to profess the belief that wages have nothing to do with prices, this hollowness at the centre is not *surprising.*

No pretence

All the same, since we share the distaste of the unions for wage norms, it is worth examin*ing what is offered in their place.* It turns out to be a rather Biblical combination of hope, faith and charity — hope that Socialist growth is possible, faith that the developments set out in plans will be achieved, and the charity to recognise that Labour's concern for the unemployed, the poor, the old and the handicapped can only be mobilised if those in a stronger position are prepared to abate their own claims on output.

The rich will still be ritually soaked, but at least there is no pretence that this operation will yield enough to pay for welfare and investment without a contribution from workers in general.

This appeal to altruism and the common good has always been a morally attractive aspect of socialism, and has its place also in Beveridge-style centrism and One-Nation Conservatism. Is it likely, though, to prove an *effective substitute for discip*line, as imposed by market forces or by real-life Socialist bureaucracies? The new document, with its reference to fall-back powers of price control, is clearly a little less naive on this score than was the old Social Contract which ushered in the biggest explosion of inflation we have ever suffered.

Guarantee

However, the one way to ensure that such an idealistic experiment fails is to protect it from all the reinforcing disciplines of the market. The structure of protectionism, exchange controls, concessionary capital, subsidies and administered prices which forms the background to the proposed economic assessment is a virtual guarantee that the assessment itself and the decisions on resource allocation and cost which are supposed to follow will reflect the maximum amount of wishful thinking and the minimum of reality.

The proposed machinery is also discouraging. The idea of a detailed national economic plan emerging in sensible form from the deliberations of the Labour Party annual conference, the CBI conference—another occasion for alcohol and class *solidarity*—or even from a long debate in the House of Commons is not persuasive.

Finally, the trade unions as we know them are not likely to appear to voters as the likeliest agents of a rule of unselfish rationality—which is one reason why, despite the economic sufferings so vividly and inaccurately described in the statement, the Labour Party remains so unpopular. There *are encouraging signs*, then, that the movement may be learning something in the wilderness; but we must hope that it will have time to learn a great deal more.

Kaunda's need for western aid

PRESIDENT Kaunda of Zambia is being accorded the full honours of a state visit to Britain, as befits his position as one of Africa's elder statesmen. It is a tribute not only to his seniority but to the important role he played as an intermediary in the Zimbabwe settle*ment, to his continuing* efforts to promote peaceful accommodation in southern Africa and to his unswerving support for the Commonwealth.

Yet behind the pomp and ceremony of the official banquets lurks the grim reality that the Zambian head of state, for all his high international standing, is presiding over a bankrupt economy, at present in a worse plight than at any *time since independence* 19 years ago. A very important part of his current international tour — which takes him to France and the U.S. after Britain—must therefore be to persuade those friendly powers and the international financial community of the value of providing yet more economic assistance to his country in spite of the failure of previous aid efforts.

Foundered

On the face of it, Zambia provides a textbook example of the economic problems of the poorest nations of the Third World, especially those in Africa. It is overwhelmingly dependent for both foreign exchange and government revenue on a couple of primary commodities — in this case copper and cobalt—the price of which has slumped because of the world economic recession. Yet attempts to undertake the sort of drastic redirection of the economy needed to reduce that dependence have foundered on a combination of inadequate policies, poor planning and weak management.

Zambia should not really be classified as one of the poorest of the poor: it is the world's fifth largest copper producer, second in cobalt output and has large areas of arable land still unexploited. But it has been caught in a vicious cycle of decline. The collapse of the copper price to £684 per tonne last year—the lowest real level for 40 years—has pushed the copper mines heavily into debt *and into loss* and has reduced government mineral revenues from 55 per cent of income to nothing.

The increasingly desperate foreign exchange shortage has meant a lack of spare parts, raw materials and agricultural inputs which has prevented other sectors making up the difference. Meanwhile, arrears in trade payments and delayed remittances of profits and dividends have built up to £400m—some 70 per cent of last year's total export receipts.

Policy failures have been equally glaring. President Kaunda sought to build up agriculture and industry as alternatives to mining around top-heavy and inefficient state corporations, which consumed more in administration costs than they ploughed back in *investment. He kept producer* prices for farmers so low that few were tempted to produce any more than for their own subsistence. As a result, Zambia's agricultural potential is greatly under-exploited.

Hopeful signs

Another serious failing, again typical of so many developing countries, has been the rapid turnover of top *officials and government Minis*ters for largely political reasons, resulting in a tragic waste of a small pool of available skills.

The task facing Dr Kaunda is to persuade potential investors, bankers and aid donors, that he has recognised the policy failures of the past and has a programme in hand capable of restructuring the economy. There are some hopeful signs: a deal with the IMF for a new SDR211.5m is awaiting formal ratification by the board of governors. The government has devalued the kwacha, which will help the copper mines break even, and benefit farmers by making imported food more expensive. Producer farm prices have also been significantly increased to revive output.

The World Bank is likely to follow the fund by drawing up a comprehensive economic restructuring programme with heavy emphasis on agriculture, and another aid effort to reorganise and re-equip the copper mines. It is going to bring aid donors together at a consultative meeting later this year. There will also be a meeting of the Paris Club of government lenders to reschedule *their* loans to Zambia.

All this could be undermined by a renewed slump in the copper price, whose recent recovery is being greeted with relief in Lusaka. And it also *depends on Dr Kaunda's* success in wooing back the private sector. To do so he must outline a clear programme of how he plans to repay the trade arrears, and spell out specific incentives for investors. There is no doubt that Zambia faces a long uphill struggle.

LABOUR PARTY AND THE UNIONS

A deal with snags attached

By John Lloyd, Labour Editor

THE agreement between unions and Labour Party published yesterday is unique. Nowhere else in the West has the major party of the left proposed to *share so* much power with the trade unions; and thus nowhere have unions ben asked to take on so much responsibility.

The proposals, in theory at least, are sweeping. The apex of the *structure would be De*partment of Economic and Industrial Planning with responsibility for formulating five-year plans, and concluding Agreed Development Plans with individual companies.

It would be "fed" by a National Planning Council comprising the Government, the Trades Union Congress, and the Confederation of British Industry, which would undertake yearly, a national economic assessment.

The council's sector-planning committees would draw up the detailed plans for the main sectors: a National Investment Bank would provide finance for expansion.

Workers in companies would have new rights to consultation and representation at board level and would contribute their own views on planning, particularly local and regional plan*ning.*

All this raises two major political questions — leaving aside the issue of whether or not Labour will actually form the next administration. How committed are senior Labour figures to it? And what are relations likely to be in practice between a Labour Government and the unions?

Mr Len Murray, the TUC secretary general, has been *privately concerned that the* Labour Party side, led by Mr Michael Foot, has not been sufficiently tough in the three years of talks with the TUC which produced the pact. He has also warned of the tendency of oppositions to promise more than they can deliver, and hence sow the seeds of disillusionment which sprout later.

Some Labour shadow ministers have only recently taken a *close interest in the pact's* development, and many are sceptical not only about incomes but also about the various new institutions proposed.

For some of the older hands in this exercise, memories stretch back not just to the recent, 1974-79 period of cooperation between a Labour Government and the unions but to that of the 1964-70 Labour administration.

In the early 1960s planning came to be seen — by some of the younger Tories as well as Labour — as essential for a modern economy. It was therefore no surprise when the new Labour Government of *1964* created a Department of Economic Affairs charged with drawing up a national plan.

The failure — and eventual disbandment — of the DEA has been ascribed to various causes. The Treasury was consistently hostile, the Department itself was patched together and its role was never precisely spelt out. At the same time, its Minister, George Brown, attempted to enforce pay norms on a union movement whose leaders were *acquiescent but whose activists*, enjoying a rapid upwards movement of wages, would not agree.

George Woodcock, the then TUC general secretary, did not disagree with George Brown over the need for an incomes policy: he did disagree with Brown's peremptory demands for an immediate agreement on norms to reassure international financiers during a run on the pound.

The hugely ambitious planning functions presupposed for the Department were never achieved: planning was absorbed into the Ministry of Technology whose main activities took the form of ad hoc industrial intervention. For example it worked in conjunction with the Industrial Reorganisation Corporation in an attempt to improve the performance of particular sectors.

Two lessons have been taken from that episode by the Labour Party. First planning had to be more determined. Second it had to have more teeth. For the unions, as they waxed in strength through the early 1970s, the lesson was that they deserved to play a much more central role in the exercise.

However, these early '70s also produced a separate phenomenon: that of the militant and *uninhibited pursuit of wage* increases by unions against a background of steadily gathering inflation. The issue of trade union power, already identified in the Wilson government of 1966-70 as a problem looking for a solution, became in the Heath government the central political fact of life.

The unions destroyed the Heath government and found themselves in an unprecedentedly strong position vis a vis the Labour Party to enter into *a partnership*, or Social Contract, with it.

The social contract was thus both an expression of union power—they had to be brought into the centre of decision-making—and a vehicle for restraining pay increases by buying off militancy through the social wage.

After the initial explosion, and the period where trade union leaders "peered over the *brink*" with their party comrades, norms were agreed and operated relatively well for nearly three years. At the end of that period, as unions and Government drifted apart under pressure of recession, growing unemployment and the loss of the dominating personalities of Jack Jones and Hugh Scanlon, the contract was broken in the bleak 1979 winter of discontent.

The lessons of both these periods have been distilled into the new pact, "Partners in Rebuilding Britain," launched yesterday. Awareness of past failures has led its drafters to start from the position that they must grapple with well-known problems. One of these, from which they could not escape, was that the present situation is widely different from that which existed in the 1960s and 1970s. Planning is not presently seen by most sectors of society as inherently a good thing (rightly or wrongly); while wage rises no longer generate public alarm because they are no longer high.

For example the drafters regard the centrepiece of the document as the proposals to widen involvement in economic decision-making to get more responsibility and more commitment to the decisions taken. But this may not strike chords with union members or the broader public because, for the moment, they want rather more basic things like higher wages and more jobs. As Mr Len Murray, the TUC general secretary, admitted yesterday, it will be a long haul to sell the policy down the line.

> Given some upturn in the economy, a lot of pent up resentment is likely to seek a channel of expression

The central feature, the national economic assessment, *does come closer to giving the* Labour shadow cabinet a commitment to wage moderation than it had pre-1974. Much attention has focussed on the weakness of the commitment to wage restraint and the presumed disappointment of such as Mr Denis Healey, Mr Peter Shore and others that no fixed norms have been agreed.

But that was never on: what they have got is a statement that "the wider role for collective bargaining entails considerable responsibilities . . . the process of planning industry will raise wider issues which will have implications for pay;" and more importantly, they have got a clear ordering of priorities for resources which puts higher in*comes last. That passage reads:*

"The first call on the nation's resources must be the creation of jobs for the unemployed; the second call must be the improvement of living standards including the social wage for the low paid and those in poverty; the third call must be the improvement of living standards for the rest of those in work, both from earnings and from improved public services."

Mr David Basnett, the general secretary of the General, Municipal and Boilermakers Union and the TUC's chief fixer of matters with the Government makes two points on this. First "People *forget* that we have delivered what we have said we would. We delivered to the last Labour Government pay restraint for three years when we said we could: the last year we said we couldn't, and so it proved."

Second, he says, "we must get the direction right and the priorities right. But in the multiplicity of bargains that are struck in the economy we don't want to intervene and set ceilings. When you stop negotiators negotiating you're creating trouble."

Yet the industrial problems thrown up by the document are formidable. First, while the *CBI has been specifically* "written in" to the document, and employers are enjoined to like it because "they will know that (its measures) provide a framework for the steady development of competitive and profitable activities," the CBI has not been consulted about it and clearly has no commitment to any of it.

Second, the unions *themselves* may not be able to deliver their members' suport for whatever the economic assessment finally proves to be. The union leaderships' weakness has been exaggerated, partly because few appear impressive on TV and all are suffering huge membership and financial losses. But the fact remains that, given some upturn in the economy, a lot of pent-up wage demands, militancy and resentment—as *the CBI realises*—is likely to seek a channel of expression. Pleas from leaders to moderate these demands are likely to prove insufficient to dam them.

Third, the left in the Labour movement is, in part, hostile or at least potentially hostile. Mr Tony Benn and Mr Moss Evans, the general secretary of the Transport and General Workers Union, have, in their different ways, welcomed it. But still the *influential Communist Party's* daily Morning Star has fulminated against it continually, yesterday printing no less than three heavily slanted news stories on it.

The CP, and many others on the left, believe that the document is rankly revisionist and proposes the fatally flawed, claw-by-claw method of skinning tigers. This is a problem which may be lying in wait

Fourth, who *does the planning?* Civil servants are self-confessedly not trained for it or good at it: could Labour attract in experienced figures from industry and finance to assist — or could it "grow its own" quickly enough? And what happens if the pressure from below contradicts the lines set from above — especially if, as would be most likely, "below" meant company managements *rejecting all or part* of their sector's plan.

For all its tripartism and voluntarism, the plan obviously could run into the familiar problems of the high degree of independence claimed by the various institutions of British civil society.

The final, indefinable question of personality cannot be ignored because of its proven importance in the past. Only Len Murray and David Basnett, among the first rank union leaders, have direct experience of the 1974-79 Government. Both have authority, but lack the battalions of Jack Jones and Hugh Scanlon.

The Labour Party, too, is short on experience, and is led by a man whose amiability and admiration for the unions has made him a poor judge of how far to press them. The staff work which has gone into the endless drafts and redrafts has been of high quality, and the association between the joint secretaries — Mr David Lea of the TUC and Mr Geoff Bish of the Labour Party — has been *fruitful. But staff do not run* the show and they certainly will not sell it down the line. And down the line, the job of selling has yet to start.

Men & Matters

Young head

Stuart Young, the first accountant to be chosen to head the BBC, talked yesterday about the blessings of being a loser occasionally.

He thinks he first came to the attention of the BBC as a potential governor when he was chairman of the unsuccessful ACC/Grand Universal Stores/Trafalgar House consortium for the breakfast television franchise.

"I am delighted that I lost. Sometimes it pays to lose," Young observed, now looking forward to oversight of the BBC's breakfast team with its 1.7m viewers.

At the age of 48, Young will be the youngest — by three months—to take the BBC chair, *beating the record of the Earl* of Clarendon, who took the post in 1927 for a salary of £3,000 compared with today's £23,520.

Unlike his brother David, the controversial boss of the Manpower Services Commission, he has never been involved in politics though he has met Mrs Thatcher several times.

"I've had enough—I'm off for a spot of tactical boating."

Young was asked last Wednesday by Home Secretary William Whitelaw — once rumoured to be a candidate for the post himself — whether he would like to be chairman, and said "yes, in half a second, or whatever time it takes to get the word out."

Young plays golf and chess, and watches "everything" on television, but remains an active *partner in City* accountants Hacker Young.

Whatever happens to inflation or the BBC licence fee, his partner Frank Stansil laughs, there will be no waste of public finances under Young's aegis.

Young's performance at his first press conference yesterday suggests he is good at more than figures. He skipped adroitly through a minefield of questions about sex and violence on the small screen.

Man's estate

"We have run the company rather like an Irish estate in the 18th century," says Ambrose Congreve, overlord for the past 44 years of process engineers Humphreys & Glasgow, which he sold to the U.S. Enserch Corporation yesterday for a reputed £10m.

Back in the 1960s, the privately-owned company was among Europe's leaders in its field. But it has since slipped into comparative obscurity.

And just as companies run like Irish estates are dying out, *so men like the 75-year-old* Congreve are no longer being made.

Once asked if he could be called a millionaire, the burly Congreve retorted: "I'd rather you called me a merchant venturer."

After Eton and Trinity College, Cambridge, Congreve went to China in the 1920s for Unilever. He married the daughter of Dr Arthur Glasgow, one of the two men who founded H & G with $750 in 1892, and *succeeded his father-in-law* as chairman in 1939.

Since 1968, Congreve and his wife have lived in tax exile at Mount Congreve in Waterford, Ireland, the family home since 1725.

There he has been able to indulge his main passion—the collection and large-scale outdoor cultivaton of exotic plants.

Though famous for his sociable lunches for politicians and businessmen at his London offices, Congreve is an intensely private man.

Questioned about the price that Enserch was paying for his company yesterday, he replied reprovingly: "I always understood that a gentleman never asked the price."

Stone work

Only very special people become honorary citizens of Berlin. Czar Nicholas the First was one. Willy Brandt is another. Today the honour goes to a remarkable American, Shepard Stone, who knows the city better than most Germans.

Stone was there as a student from New England in the 1920s, hearing Furtwangler conduct, seeing Marlene Dietrich put Berlin at her feet. He returned via the Allied landings in Normandy in the second world war, and became a close assistant of John McCloy, the U.S. High Commissioner for Germany from 1949-52.

Now, "Shep" Stone, aged 74, heads the Aspen Institute Berlin—an offshoot of the *Institute for Humanistic Studies* which began in 1949 in Aspen, Colorado, with a conference bringing together, among others, Albert Schweitzer and Ortega y Gasset.

Stone's gatherings at his *Institute on* a peninsula in a West Berlin lake, are hardly less distinguished. He has had an infallible knack over the years of hitting on the right topic at the right time (whether arms control, nuclear energy or unemployment) and *persuading* stars like Henry Kissinger or Helmut Schmidt that they cannot afford to miss the discussions. He also runs the talks (maximum 24 participants) with a rod of iron. Not many people have been able to tell Schmidt to "Speak UP, Chancellor" and get away with it.

Stone's honorary citizenship, being conferred on him by the Governing Mayor Richard von Weizsacker, means among other things that he can ride free on Berlin's comprehensive transport system—at current prices a worthwhile benefit.

The award means a lot to Stone. He is only the second American—after Lucius Clay, architect of the Berlin *airlift*—to be honoured in this way. He has done more than most over the years to improve German-American ties, and today Berlin shows its gratitude.

Up-staged

Some Darlington voters, apparently, prefer to see politicians on the stage rather than on the platform.

Despite the daily eight-ring circus in the town's streets during the run-up to today's by-election, hundreds of Darlington folk have paid some £10,000 at the box office of the *local Civil Theatre to see a new* play about politics.

"Dead Ringer," by James Francis (a pen-name concealing writer-producer Charles Ross and journalist Logan Gourlay) is on provincial tour before opening at the Duke of York's in the West End in May. It was booked for a week's run in Darlington long before the by-election was announced.

Hard as the real politicians have been trying to please voters, none of them could have up-staged what their fictional counterparts had to offer. "A thriller with a lot of laughs," according to one local critic.

Observer

ECONOMIC VIEWPOINT

How the EMS has become a mere crawling peg

By Samuel Brittan

UNDER THE latest currency realignments, the European Monetary System becomes, in effect a crawling peg. There has been no harmonisation of underlying inflation rates or of economic policy inside the Community. Thus exchange rate changes are inevitable. The EMS is simply a way by which the parity changes are made in a series of steps by governments, instead of *continuously* in the market place.

The pros and cons of making exchange rate changes this way are much less important than many people think. But if there is to be a European crawling peg, it might be less disruptive to the foreign exchange market if the changes were smaller and more frequent.

If the French authorities want to maintain a higher rate of inflation than the German ones, that is their business. More realistically, as in the case of Britain some years ago, they believe that the transitional costs of going down to the German rate would be too large. But in that case they must accept the need for occasional devaluations without these being seen as a national humiliation or defeat.

In practice the EMS has been used by successive French governments, not to align the French inflation rate with the German one but to put a limit to the French divergence. French ministers seem to believe that they can sell spending restraints better to their own public if these are presented as necessary to maintain the French position in the EMS than if presented on their domestic merits.

But I wonder how many more times they will be able to play this trick as the French public tumbles to the fact that exchange rates can and do change quite a lot inside the EMS. The advantages of an exchange rate objective as an intermediate objective for some countries in some circumstance are clear. Their function is to serve as a guide to domestic monetary and fiscal policy. Whether the cumbersome machinery of "fixed but flexible" official exchange rates and expensive loss-making official intervention in the foreign exchange market helps at all, I am *extremely doubtful*.

How far devaluation helps to maintain employment and how far it is just frittered away depends crucially on the wage response. A successful devaluation is a way of reducing real wages below what they would otherwise be, just as putting the clock forward is a convenient way of making us all get up a little earlier.

UK pay costs and effect on unemployment

THUS, WE are back to the relation between real wages and unemployment, which is simple in principle but complicated in detail. If the price of labour increases then, other things being equal, less of it will be bought. In that respect the labour market is like the banana market, however much *this analogy irritates certain* British economists, who are *right to* point out the complications, but wrong not to see the wood for the trees.

One set of complications arises from trying to identify exactly what it is that corresponds to the price of labour *from the point of view of the* employer.

The table, which is taken from the Budget "Red Book," *shows the rise in UK labour* costs in money terms in 1981 and 1982. Under the influence of recession the rise in real earnings did slip back; but painfully slowly from 10½ per cent to 8¼ per cent. Total labour costs were however more restrained. Productivity increase reduced them by 4 per cent in both years. "Other labour costs," which are mostly National Insurance contributions, accounted for 1 per cent of the rise in labour costs in 1981. In 1982 they accounted for −1 per cent, thanks to the reduction of the employers' National Insurance Surcharge (NIS).

These complications only reinforce the fundamental relationship between pay and jobs. NIS, which has come *down from 3½ per cent to 1 per* cent, cannot be below zero.

The productivity factor is more complex to assess. Increased productivity does work in the same direction as pay restraint in reducing the cost of a unit of labour of given efficiency. If there is a 10 per cent productivity increase, 100 workers become the equivalent of 110. Each worker becomes more valuable for a given level of pay per head. On the other hand more output needs to be generated than before to *prevent* unemployment from rising; and it is an open question which effect is *stronger*. Pay restraint is the one force which unambiguously promotes the demand for labour, given a moderately *rational financial policy*.

The figures in the table do not tell the whole story. For the cost of labour which matters to the employer is not the money cost, but the real cost. The key point about the year to the third quarter of 1982 is not just that labour costs per unit of output rose by only 3½ per cent; it is also that final prices (measured by the GDP deflator) rose by somewhat more, namely 6½ per cent. This suggests that real labour costs fell and that (as import prices were also restrained) profit margins increased.

In the top part of the chart, which is an extended version of one which appears in the Treasury's Red Book, an attempt is made to measure real labour costs per unit of output. They *are shown by the continuous* line, which is derived by dividing labour costs in money terms by nominal GDP. The index is thus charting a ratio, which is always less than one. Its movement is therefore constrained, in contrast to the broken line of post-tax real earnings, which can rise much further. Indeed the sky would be the limit in an economy with rapidly rising productivity.

The interesting relationship *is between the continuous line* measuring real labour costs from the point of view of the employer and the bottom section of the chart showing *unemployment. If one looks at* the *absolute* level of unemployment there seems little relationship with labour costs. But if one looks at *changes* a stronger relationship emerges.

The fall in unemployment during the Heath boom was preceded by a fall in real wage *costs (1970-73). The rise in* unemployment during the first three-fifths of the Wilson-Callaghan Labour Government was preceded by a sharp rise in real labour costs in 1973-75. A levelling-off in unemployment in 1977-79, was preceded by a fall in real labour costs associated with the early phase of the Labour Government's pay norms. The more than doubling of unemployment under the present Government was preceded by a sharp rise in labour *costs in 1978-80.*

Since 1980 real labour costs have been falling, at first gradually, but much more rapidly in the course of 1982. *If past form is anything to go* by, this suggests that unemployment may have levelled off by the end of this year. A flattening of the unemployment trend at over 3m is hardly a brilliant success: but it is at least a sign that the deterioration has not all that much further to go.

Of course, the figures of labour costs and unemployment alone do not tell us the complete story. In the banana market a surplus may develop *because the growers' cartel* raises banana prices. But it may also develop because of a fall in the market-clearing price of bananas, which the growers refuse to accept.

There have been developments curtailing the market-clearing price of labour. In the 1970s a slowdown in productivity growth *and deterioration in terms of* trade reduced the market value of British labour; in the 1980s it has been reduced by world recession and possibly by the shift towards capital using and labour-saving production methods. For full employment to have been maintained, real labour costs would have had to be on a downward trend instead of a fluctuating one of the last decade.

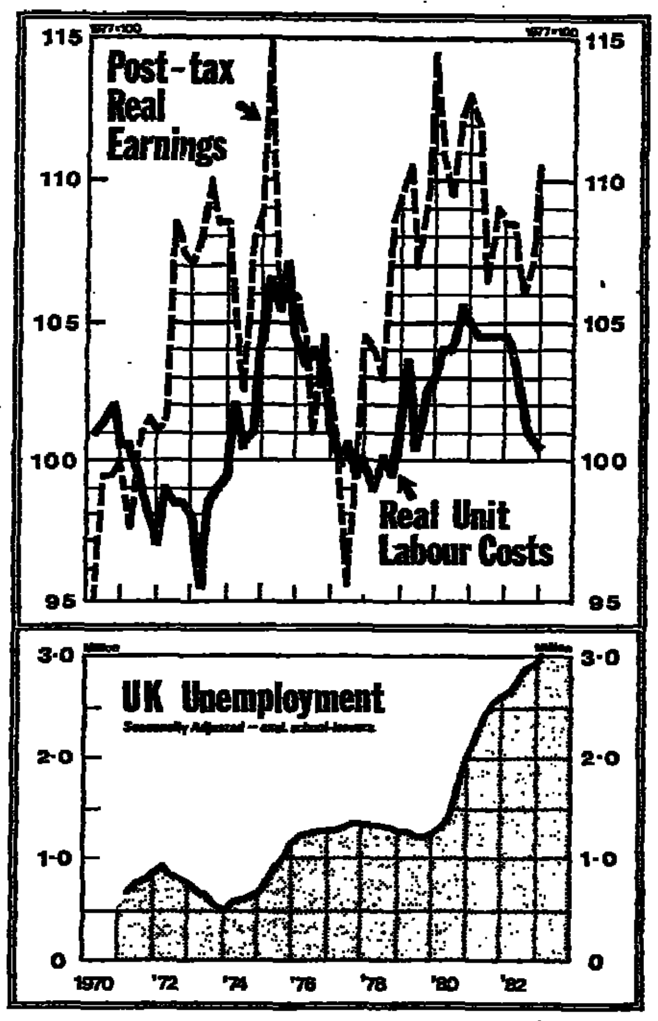
The test of the new attitudes *which are supposed to have* developed in the labour market will be whether settlements stay down in the 1983-84 wage round, when the retail price index will be rising by 6 per cent or more and output and activity will be rising, too. If pay settlements remain restrained, it will be a sign of genuine breakthrough; if not we will be back with the stagflation dilemma.

LABOUR COSTS — CASH OUTLAYS

% increase over same quarter of previous year

	1981 (3rd Quarter)	1982 (3rd Quarter)
Contribution of:—		
Earnings	10½	8¼
Other labour costs (including NIS)	1	−1
Productivity growth	−4	−4
Approximate total rise in labour costs per unit of output	8	3½
Import prices	9	3½
GDP deflator	11½	6½

Source: Financial Statement



Martyn Barnes

Post-tax real earnings are average wages and salaries, minus taxes and employees' National Insurance contributions, adjusted by the Retail Price Index. Real labour costs per unit of output consist of total wages and salaries and National Insurance and related contributions, divided by the Nominal GDP at factor cost

Source: Treasury

Lombard

All quiet in the City club

By John Plender

THE BRITISH are extraordinarily kind to animals and bankers. One has to look no further than the events of the past few months to see that in Britain bankers are actually a protected species.

Here, after all, is a group of people that contrived to lend countless millions of other people's money to Mexico, Brazil, Argentina, Chile, Poland and the rest, without taking the seemingly elementary precaution of ensuring that their clients used the cash with a modicum of prudence, so facilitating ultimate repayment of the outstanding debt. The excuse for this combination of overcommitment and lack of oversight is that states, which are run by politicians, are alleged by bankers to be more reliable debtors than corporations run by mere businessmen.

Now that the banks have been forced to acknowledge past error by raising big provisions in their recent accounts, it might be thought that one or two august banking heads would be on the block. Yet instead of *calling for heads, potential* critics of the banks seem more anxious to soothe bankers' nerves.

Sir Geoffrey Howe, for example, has no reason to be grateful to clearing bankers who have conceded high pay increases at politically embarrassing moments. He also knows that banks pay little mainstream corporation tax. Yet he announced in last week's Budget that it would not be sensible *to* tighten the tax regime for banks "in the light of current circumstances." Curious, when you bear in mind that the banks themselves felt that current circumstances justified fat dividend increases.

Then there is the Bank of England. Mr Peter Cooke, the Old Lady's head of banking supervision, lectured the banks last autumn on the need to strengthen their capital base, if need be by exercising restraint *over dividend payments.*

The banks' provocative decision to ignore him would in other countries constitute a signal for a dose of red-blooded regulation, particularly since there is an overwhelming case for increased disclosure on country debt. Yet few expect this — least of all the clearing banks, who live in the comfortable knowledge that the Old Lady does not believe in allowing big banks to founder; she reserves her disciplinary zeal for small fry and international concordats.

As for the auditors, it would have been logical, after the secondary banking crisis exposed a welter of curious accounting practices in the mid-1970s, to support the early development of standard accounting practice in the banking sector. Nothing much happened. Institutional shareholders, meantime, have shown no conspicuous urge to press for management changes. Beleaguered managers at Rank Organisation must be wondering whether they could have kept the institutions off their backs by paying much increased dividends out of diminished profits like most of the banks.

Such gentility is not to be found in the U.S., where politicians are now howling for bankers' blood and have been *seeking* to make additional funds for the IMF conditional on increased bank regulation. A Bill recently put forward by Senators Heinz and Proxmire has called for new powers for the Federal Reserve, including the right to call for higher loan loss provisions, limits on further lending to troubled countries and tougher accounting requirements. The head of the Federal Deposit Insurance Corporation is, in addition, calling for increased disclosure and less insurance protection for big depositors.

This populist disrespect for the banks owes much to the *American experience of* widespread foreclosures in the 1930s. And the U.S. banks are more heavily committed in the larger over-indebted countries than the British. But the attack on U.S. banks also reflects an underlying belief that capitalism cannot work if bad management goes unchecked.

By contrast the British prefer the kindly club ethic to competitive capitalism — in the financial sector, that is. If Mr Peter Jay, late of TV-am, should ever be tempted by the quiet life, he could do worse than head for the City.

Letters to the Editor

The Opec agreement and the outlook for oil prices

From Mr T. Skeet MP

Sir,—The difficulty with the recently negotiated agreement between Organisation of Petroleum Exporting Countries members is that it is an arrangement reached between producers and is imposed upon reluctant consumers, many of whom are within the Third World. It did prove, however, that the movement in oil price was not like a ratchet and *moved for ever upwards,* but could under certain conditions fluctuate like any other commodity when supply and demand moved out of balance.

It is worth recalling that in 1979 the price of Saudi light rose from $13.34 to $24 a barrel and in 1980 the price advanced further to $32, a total of about *$18.50 in two years during the* second world oil crisis. This was a shock to the world, but *when the price receded by $5 to* $29 a barrel under the recent agreement, Middle East producers were covered with apprehension even though production costs of several of the lead*ing states* were under $1 a barrel. Really over a period of time the West should not be unreasonably disturbed if the price falls substantially further. Continued instability, however, is *obvious.*

The agreement makes no provision for correct differentials which normally obtain between Middle East and African crudes. *Further,* the higher quality Nigerian crude oil is wrongly priced, being less expensive than its UK counterpart.

The production ceiling of 17.5m b/d (million barrels a day) contains at least three flaws: it takes insufficient account of the potential of non-Opec production, including imports from the USSR, makes inadequate provision for destocking which could add 3 to 6m b/d to the market, and is subject to no disciplinary code for goading participants into line.

The allocations to member states is equally precarious as 12 member states are expected to honour their obligations while the thirteenth and leading producer, Saudi Arabia, is expected precisely to balance the market by cutting its own production unrealistically should deviations occur. Instability in the Middle East has permitted Iran to continue discounting prices while it is expected to comply with its quota of 2.4m b/d. Nigeria (1.5m b/d quota) on the other hand, is under severe pressure internally to raise additional revenue on a declining market to meet its budget. Opec members have a reputation for breaking ranks.

When demand exceeds supply, Opec is not in a position to dictate prices, but when supply exceeds demand, a number of smaller states acting independently may exercise considerable pressure on the market through the inability of Opec collectively to accommodate marginal supplies over which it has no control. Even the patience of Saudi Arabia is exhausted when participating states expect the Kingdom to lower production to below 5m b/d from such vast resources.

For Britain the position is clear. Being party to the Rome Treaties the UK is not in a position to fix its prices to the detriment of its neighbours, nor should it do so in a free market. North Sea production is expected to peak in 1985 but the state trading corporation, BNOC, may not be able to place its crude unless it lowers its price to remain competitive. Further, it is unlikely the Government will relish the prospect *of* paying BNOC's losses for failing to follow market trends. The reference price of $30.50 could be short-lived and the wider Opec package placed in jeopardy. There is a serious danger with new developments that in the short term the carefully prepared Budget concessions for North Sea producers may be *overtaken* by a continuing fall in oil price.

Trevor Skeet.
House of Commons, SW1.

Lloyd's council's actions

From Mr J. Burrows

Sir,—It must be unacceptable to members who do not work at Lloyd's that Mr Ian Posgate, whom many helped elect to the committee, was removed by a secret ballot of Lloyd's council, last Monday, because apparently of allegations by U.S. brokers, the truth of which we await.

From your pages we learn that Mr Posgate has been a most influential and successful underwriter *in generating* underwriting profits. This must surely benefit members, and the country through foreign currency earned.

We also read that it was on his evidence to Parliament that Lloyd's at last agreed to divest itself of conflicting interests between Lloyd's underwriters and brokers, a step universally considered to be in the best interests of the insuring public.

But what we have awaited for the past six months are the results of enquiries into Lloyd's reinsurance practices, on which matter Mr Posgate could doubtless have made yet another valuable contribution.

If Lloyd's council does not wish to be seen as having acted from the worst of motives, in the *removal of* Mr Posgate, it should now give reasons for the decision, and publish conclusions of its enquiries into reinsurance practices.

J. D. Burrows,
Copyhold, Bury, Pulborough,
West Sussex.

Post-Budget blues

From Mr E. Avery

Sir—"No benefit for the £15,000 pa earner." This post-*Budget* headline in the FT does not tell the whole sad truth!

The £15,000 a year man is probably typical of a large slice of British junior/middle man*agement—people who generally* work longer and harder than their subordinates, and just as hard and long as their seniors, with less perks and benefits. *More than likely the one perk* he has is a company car, on which benefit his tax burden has been further increased.

Possibly he also now has children old enough for higher education and will be expecting shortly to hear yet again that the parental contributions to*wards education grants are to* be increased in real terms.

Perhaps he has also been unwise enough to marry the mother of his children, who is now working, and whether or not a tax divorce is in force will be paying a higher tax bill than he would if he lived in sin.

Sir, does it pay to make her an honest woman and to try and make an honest living?

E. Avery.
17, Brereton Road,
Handforth, Wilmslow, Cheshire.

New company start-ups

From Mr N. Davies

Sir,—One piece of Budget legislation which was largely hidden by the banner headlines of "cigarettes up 3p, wine up 5p, etc." was the new tax relief provision for new company start-up. This has far-reaching implications which, if enough people were alerted could go some way to easing the current unemployment situation. Essentially these measures encourage *investment* in new and existing small businesses by making it easier and cheaper for investors to buy shares in these types of businesses, thereby facilitating the formation of new companies.

The problem is that because of the way in which this sort of legislation is presented and reported the main potential beneficiaries (the unemployed who are not necessarily financially sophisticated) are unlikely to understand it or to realise its implications. I would have thought that there were numerous people who have been made redundant or who are unemployed for other reasons who have the necessary skills and talents to start their own business employing other people but do not have the capital to do so. This excellent legislation would enable them to escape *this disheartening* situation if only someone would bring it to their notice.

I suggest that this should be done through the media and also that Jobcentres should be instructed to alert people to these potential benefits; it would be an enormous psychological boost *to be told that one had the* chance to start a new business rather than that, for the umpteenth successive week, there were no vacancies.

Nicholas Davies,
Hungerford Wine Company.
128 High Street,
Hungerford, Berks.

A moveable feast

From Miss S. Neish

Sir,—I am very fond of my Financial Times desk diary, because the anniversaries which you include at the top of the page provide me with an endless source of interest and amusement.

In 1982 my favourite entry was April 4 Taiwan Ancestor's Tombsweeping Day, and I was most impressed with this Taiwanese version of spring cleaning. This entry, however, has disappeared from the diary for 1983, which I find most disappointing as I was looking for*ward to sweeping my ancestor's* tomb on the correct day.

What am I to assume from this? That they won't be sweeping their ancestors' tombs in Taiwan on April 4.

(Miss) Sheila Neish.
144 Midland Road,
King's Norton, Birmingham.

FINANCIAL TIMES

Thursday March 24 1983

Warburg sells stake in NY bank

By Alan Friedman in London

S. G. WARBURG, a leading merchant bank, has pulled out of its nine-year old involvement in A.G. Becker-Warburg Paribas Becker (AGB-WPB), the Wall Street investment bank in which since last July it and Paribas, the nationalised French bank, held a joint equity stake of more than 50 per cent. Paribas now becomes the sole owner of this stake.

Warburg said last night it had realised an after-tax gain of £3.4m on the disposal of its 25 per cent stake in the Becker group. Warburg also received £700,000 of after-tax profits for the 1982 financial year.

The Becker group, just over 49 per cent of which is owned by Becker employees, has a shareholders' capital of a little under $100m. On this basis, it is believed that Warburg and its parent, Mercury Securities could realise a total of around $25m from the disposal of its stake.

The withdrawal by Warburg comes less than a year after both Warburg and Paribas increased their holding in the New York bank from a joint stake of 40 per cent to just above 50 per cent. This move last July came in the wake of a variety of problems for AGB-WPB, which included a statement by the prendent at the time, Mr Ira Wender, that the business had lost $2m in the eight months to last June. Mr Wender resigned as president in early July.

The Becker group had suffered from a contraction in private client business, competition from money-market funds and rising expenses, in the late spring, it laid off 250 of its 2,700 staff.

Mr David Scholey, Warburg's joint chairman, said last night that the decision to withdraw from the Becker group reflected Warburg's desire to develop its own international capital markets business in New York. He said Paribas had a similar preference.

"The importance in markets of having the closest possible co-operation is complicated by trio relationships. We in Warburg feel that driving our own engine is something which suits us. Paribas equally felt this fitted in with them and so we decided to go our individual ways," explained Mr Scholey.

U.S. renews Sidewinder missile sales to Israel

BY REGINALD DALE, U.S. EDITOR, IN WASHINGTON

THE U.S. is to renew arms sales to Israel, for the first time since last June's invasion of Lebanon, in a move that is bound to be taken as a gesture of political approval for the Government of Mr Menahem Begin, the Prime Minister.

The first of the new weapons to be delivered are 200 Sidewinder air-to-air missiles, at a cost of $16m, the Pentagon said yesterday. Israel had previously bought 600 of the missiles, which it used with dramatic success in dogfights against Soviet-built Syrian aircraft over Lebanon last year.

Announcement of the sale came as a surprise at a time when Arab Governments and the Reagan Administration's domestic critics were arguing that Washington should step up pressure on Mr Begin to pull his forces out of Lebanon and enter wider Middle East peace negotiations.

Pentagon officials said there was no direct link between the resumption of arms deliveries and the Israeli offer, announced earlier this week, to share secret information with Washington that it acquired in the war, in which it destroyed vast amounts of Soviet weapons, including surface-to-air anti-aircraft missile batteries.

It was clear, however, that the Israeli decision, on what has long been a contentious issue, was likely to lead to an improvement in relations with Washington, which have deteriorated after Israel's rejection of American terms for withdrawing its army from Lebanon.

Announcing the Sidewinder sale, the Pentagon welcomed the Israeli agreement to share the information, which Israeli ministers have claimed will have a significant effect on overall assessments of the East-West military balance. Officials stressed, however, that advance notification of the Sidewinder sale had been sent to Congress before the Israeli decision was announced.

Israel had originally wanted to negotiate a separate new agreement for sharing the information. Monday's Cabinet decision, however, appeared to comply with the latest proposal by Mr Caspar Weinberger, the U.S. Defence Secretary, that the information should be handed over under current arrangements. The Israelis have already revealed a considerable amount of data to Washington under existing agreements.

The Pentagon said that the Sidewinder sale was intended to help to ensure that Israel had the means to defend itself "within its own borders."

Less clear was the status of the delivery of 75 more F-16 fighters for the Israeli air force, which President Ronald Reagan delayed to show disapproval of Israel's military activities in Lebanon.

Israel has already received 75 F-16s, but the White House has quietly postponed notifying Congress of its plans to deliver the second batch.

Waste Management denies illegal dumping allegations

BY WILLIAM HALL IN NEW YORK

WASTE MANAGEMENT, the world's biggest toxic waste disposal company, has firmly denied allegations of illegal or improper practices at its chemical waste disposal sites which led to a sharp fall in its share price earlier this week.

Waste Management stock was the most heavily traded issue on the New York Stock Exchange on Monday and Tuesday. This followed allegations by the Illinois Attorney General that the company had concealed illegal shipments of toxic chemical waste.

Several other state regulatory bodies have also accused Waste Management of infringing state environmental laws.

Yesterday the company held a press conference at its Oak Creek, Illinois, headquarters where it presented its side of the story. The share price of Waste Management, which had fallen by nearly a third in the previous two trading days, recovered sharply after the company's statement. At mid-day the shares were $4½ higher at $46¼.

At its site at Calumet City, Illinois, Waste Management said contrary to press allegations it told the State of Illinois in writing that it was disposing of dichlorobenzidine (DCB) manufacturing waste at the landfill. It produced a permit from the Illinois Environmental Protection Agency which gave it permission to deposit DCB manufacturing waste.

The company said allegations of improper disposal of arsenic waste were completely incorrect. It also denied the general allegation that it had altered or destroyed test results.

It said it received waste at many of its sites at night because it was permitted to operate on a 24-hour basis and not because it wanted to hide shipments.

The company said in some cases it had been a victim of conflicting state and federal regulations. It was prepared to comply with any regulations which the Environmental Protection Agency or the various states laid down.

Waste Management, which was established in 1968, has built a reputation as one of the most aggressive and fastest growing companies in the waste disposal business in the U.S. In 1982 its net income rose 27 per cent to $106.5m on revenue of $966.5m. In addition to the U.S. it operates waste disposal business in Saudi Arabia, Venezuela and Argentina.

Its rapid growth has been accompanied by several lawsuits brought by state regulators and former employees alleging that it was violating local environmental laws.

The controversy surrounding Waste Management comes at a particularly sensitive time in U.S. environmental affairs. The Environmental Protection Agency has been plagued by controversy about conflicts of interest of some of its officials.

Saint Gobain set to diversify

By David Housego in Paris

SAINT-GOBAIN, the French glass and engineering concern, is building up a reserve fund to finance its diversification.

That was disclosed yesterday by M Roger Fauroux, the company's chairman, who declined to disclose details of the company's plans, except that servicing the public works industry was one of the areas under consideration.

The "war chest," potentially rising to FFr 2.5bn, comes from the sale at the Government's request of its electronic interests which will raise about FFr 1bn and two fund-raising exercises on the French capital market.

Saint-Gobain is raising FFr 700m this year and a further FFr 700m next year through the issue of new "participatory certificates," details of which were released yesterday.

The group is the first nationalised company to approach the French financial markets with this instrument, a combination of a bond and a share.

The formula was designed with the Government's blessing to enable the nationalised industries to tap the domestic capital markets for risk funds without diluting their shareholding.

The group announced provisional net consolidated losses yesterday of FFr 600m, but that includes the exceptional losses involved in disposing of its 51 per cent stake in Machine Bull and other electronics interests.

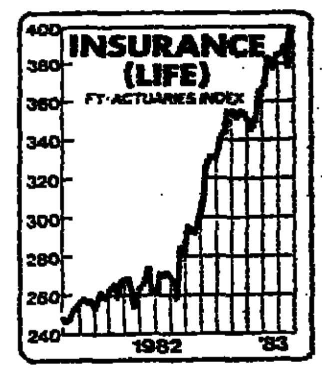
Aside from those exceptional losses, the group made a net consolidated profit last year of FFr 250m, compared with FFr 450m in 1981. M Fauroux said that he was not "exaggeratedly optimistic" about the outlook for 1983, but much depended on the evolution of the French economy in the remainder of the year.

In 1982, 52 per cent of group sales came from France. Sales rose to FFr 51bn, against FFr 43.5bn in 1981. Investments grew substantially from FFr 2.5bn to FFr 3.6bn. But since being forced out of electronics, the group has been looking at other areas into which it might diversify.

THE LEX COLUMN

Frayed insulation at BICC

The absence of official support for the pound looked fairly consistent with established policy for as long as the problem could be presented as one of dollar strength, rather than sterling weakness. Increasingly, however, the trade-weighted index is taking it on the chin – falling another 0.2 points to 78.3 yesterday – and the slight firming in inter-bank rates is starting to suggest that corrective action may be needed, one way or another.



BICC

A 3 per cent fall in pre-tax profits to £96.6m for the year to December, combined with an exceptionally cautious statement on current trading prospects, knocked BICC's shares back yesterday from 263p to 232p – a 36 per cent fall from last year's high point, when BICC was being fancifully rated as a high-technology electrical group. At that new level, the yield of 6.7 per cent puts the shares more in line with the engineering sector than electricals, underlining BICC's exposure to non-recession-proof products and the deeply depressed Australian and Canadian markets.

A virtually doubled interest charge of £13.5m contributed to the pre-tax setback, but BICC is nevertheless comfortably geared at present, with net debt standing at only 24 per cent of shareholders' funds. The main deterioration came from an accelerating fall in trading volume, which spared only the Balfour Beatty construction division. Operating profits fell in the cables business after allowing for lower reorganisation costs, and the industrial products group owed its advance to a good first half performance from its 1981 U.S. acquisitions.

The more expansionary Labor Government in Australia might begin to help BICC's international division later in the year, while labour trimming and heavy capital expenditure in the cables business will have made it highly geared to a recovery. But BICC's products tend to come late out of recession, and the chairman's statement that there had been no sign of an upturn yet had analysts scaling down forecasts yesterday to a best a flat performance this year.

Arthur Bell

Arthur Bell's top management still talks of its marketing stance with the zeal which the Victorians expected of their temperance movement. Its determination to retain Bell's quality image may have been fortified by another rise in pre-tax profits, up 18 per cent much as expected to £17.6m for the six months to December. But the recession has helped cheaper brands to reduce fractionally Bell's share of the UK market, where its volume sales fell 9 per cent over calendar 1982. UK turnover has stayed flat in the latest half-year despite 10-12 per cent price increases in February, 1982.

While reiterating its quality approach, therefore, Bell's response to the recession points also to a two-fold adjustment in its basic profile. Overseas sales – which together with a £1.2m cutback in net interest have probably underpinned the latest advance in profits – have grown by 20 per cent in volume terms over the year to December and now account for 42 per cent of the total. Second, the group is looking at potential acquisitions, perhaps outside its own industry. Progress in the U.S. appears the key to both developments. The shares have pulled back this year, which may reflect the strategic uncertainties, and pre-tax profits of £31m for 1982-83 imply a fully taxed p/e of 12.7 at a price of 273p.

Prudential

The Prudential share price has bounded ahead with the rest of the sector in the past 12 months and yesterday's preliminary statement for 1982 pushed it up another 26p to 398p.

With net profits of £55.6m, an increase of 29 per cent, the Pru has finally steered itself off a four-year earnings plateau and even a modest improvement in the general insurance climate should enable it to produce a comparable gain in the current year, with a dividend increase to match the 1982 rise of 26 per cent.

The Pru is still extracting good growth from its long-term business, with only the group pensions business showing any pronounced weakness last year. The decision not to increase annual reversionary bonuses hints at a flattening out of the surplus on long-term business as interest rates fall, but the effect of this on shareholders should not be felt for some time.

The general insurance operations, meanwhile, are starting to feel the benefit of a selective firming in industry rates and of a more disciplined approach to new business.

The second half showed a substantially improved underwriting result, even allowing for the exceptional UK weather claims in the early months of the year. Coupled with the Pru's belated but vigorous attack on overheads the prospects are attractive enough to justify a yield of only 3.5 per cent.

Ocean Transport

Ocean Transport's interim statement had prepared the ground for a cut in the final dividend and, by yesterday morning, the shares were yielding a precarious 15½ per cent. A halved final payment was no surprise. On the basis of the figures and the trading statement an even unkinder cut might have been in order.

Second-half profits have almost evaporated, leaving the 1982 total down from £33.4m to £13.9m pre-tax. The picture is, as usual, confused by a host of non-trading items but even a generous view of underlying profits throws up a figure no higher than £21.2m.

Ocean will struggle to make much progress in the current year, particularly given the difficulties in Nigeria, the likelihood of a renewed downturn at the OCL associate and a stagnant outlook at Straits Steamship.

Extraordinary debits of £46.6m have helped deplete shareholders' funds, ex-minorities, to £260m. Debt has crept up to £190m. Against that background it is hard to see how Ocean can legitimately maintain the interim dividend. The market, however, is apparently inclining towards optimism. A halved interim would put the shares, up 3p at 86p yesterday, on a yield of only 7.7 per cent – 2½ points below that on P & O.

Mitterrand urges 'buy French' campaign

Continued from Page 1

carry through a stiffer anti-inflationary policy after the rosy picture he painted before the municipal elections in saying that "the major problems are behind us." The Centre and right-wing opposition has been particularly damning of M Mauroy's appointment, saying that the failure of his policies had been censured by the results of the municipal poll.

The Mauroy Cabinet is less than half the size of its predecessor with only 15 ministers. Beneath the Prime Minister the focus of power is on a trio of ministers: M Jacques Delors, the Minister of Economy and Finance, who has added the Budget portfolio to his responsibilities to strengthen his control over taxation and spending; M Pierre Baregovoy, Minister for Social Security, a confidante of M Mitterrand who is thought to have favoured taking France out of the EMS; and M Laurent Fabius, the new Minister for Industry and Research, one of whose principal tasks will be to stem the losses of public sector industries.

M Jean-Pierre Chevenement, the former Minister of Industry and the main casualty of the reshuffle, made known yesterday that he had handed in his resignation on February 2.

One of the ideological leaders of the Left of the party, he was much put out in January when the President hosted a lunch for the heads of the nationalised industries from which he was excluded but to which the former Industry Minister, M Pierre Dreyfus, was invited.

The quarrel could open fresh rifts in the Socialist Party and bring the new administration under attack from the Left. In an effort to head this off as early as possible Socialist Party leaders announced yesterday that the party congress planned for the autumn is to be brought forward to the early summer.

Among the other changes M Michel Rocard has been given the critical post of Agriculture when farmers are likely to be up in arms over a more restrained increase in farm prices.

In moving him from his former post of Minister of the Plan M Mitterand has, no doubt, in part the intention of depriving his old rival in the Socialist Party of the right of commenting on all aspects of Government policy.

NEW FRENCH GOVERNMENT

M Pierre Mauroy, Prime Minister
M Jacques Delors, Minister of Economy, Finance and the Budget
M Gaston Defferre, Minister of the Interior and Decentralisation
M Charles Fiterman, Minister of Transport
M Robert Badinter, Minister of Justice
M Claude Cheysson, Minister of External Relations
M Charles Hernu, Minister of Defence
M Alain Savary, Minister of Education
M Michel Rocard, Minister of Agriculture
M Laurent Fabius, Minister of Industry and Research
Mme Edith Cresson, Minister of External Commerce and Tourism
M Roger Quilliot, Minister of Urbanism and Housing
M Michel Crepeau, Minister for Internal Trade and Crafts
M Marcel Rigout, Minister for Training
M Max Gallo, Secretary of State, Government spokesman

The two Communists in the government are M Fiterman and M Rigout. M Gallo does not have full ministerial rank.

Australia plans new mining tax

By Michael Thompson-Noel in Sydney

THE INTRODUCTION of a new resource rent tax on mining-company profits was one of the chief priorities of the new Australian Labor Government, Senator Peter Walsh, the federal minister for resources and energy, said in Canberra, the federal capital, yesterday.

No details of the proposed tax have been released. Mining profits are severely depressed and the proposal is causing unease among industry leaders and among state governments, which at present reap large sums in royalties, freight charges and other levies.

Mining industry unease may turn to fright if the new tax is effectively an excess profits tax, though Senator Walsh stressed yesterday that the main intention was to rationalise the web of state, federal and local charges.

He told a minerals conference in Canberra: "Present arrangements for taxing extractive industries are fragmented, complex and arbitrary to the point of being capricious."

The first industries to be tackled will be oil and coal, it is believed. In the coal industry, Canberra may seek to replace state and federal levies with a single federal tax – and reimburse the states, notably Queensland and New South Wales (NSW), for loss of levy and royalty income.

The new resource tax is unlikely to be introduced before 1983-84.

The Australian Coal Association appealed last night to Mr Neville Wran, the premier of NSW, to reduce rail charges and loyalties, so as to head off further coal industry sackings. An appeal to Mr Joh Bjelke-Petersen, Queensland's premier, will be made next week.

Major Queensland open-cast coal miners such as Utah Development (part of Utah International, the subject of a U.S.$2.4bn takeover offer by Broken Hill Proprietary, Australia's biggest company) and Thiess-Dampier-Mitsui, may strongly resist pressure for any early resource rent tax.

Japan is trimming its purchases of Australian coal, and diversifying its range of suppliers. According to an Australian spokesman yesterday: "The 40m tonnes of steaming coal Japan was projected to buy by 1990 now looks like being 21m tonnes."

$ advances strongly

Continued from Page 1

9¾ per cent. The corresponding rate for D-Marks was 5 per cent.

In the EMS the Bundesbank had to make further small-scale interventions to prevent previously weaker currencies from jumping through their new D-Mark ceilings. In Frankfurt the French franc was fixed for the second time running at its new ceiling of DM 0.3335. The Irish punt was also fixed at its ceiling. In Amsterdam the guilder fell to a record low against the D-Mark of DM 0.8907.

In Lisbon, where the market had been closed for two days, the authorities announced a 2 per cent effective devaluation against their official basket of currencies, increased the crawling devaluation rate from ¾ per cent to 1 per cent per month, and raised the discount rate 4 points to 23 per cent in an effort to stop the outflow of capital.

In Spain, the rate slipped again yesterday, ending at 136.1 after only slight intervention from the Bank of Spain.

Bonn coalition accord

Continued from Page 1

get expenditure will increase by only 2 per cent in nominal terms to DM 258bn ($107bn), and the net borrowing requirement will be held below DM 40bn (after DM 41bn this year). That implies savings of more than DM 6bn.

Industry. A rise of 1 percentage point to 14 per cent in Value-Added Tax had already been announced – to take effect from July 1 this year.

Enforced loan or levy. A major source of friction between the FDP and the Union parties. All agreed that higher-income earners should make an interest-free loan to the Government, equal to 5 per cent of their tax burden. But the liberals wanted the sum paid back, the Union did not.

Pensions. The Labour Minister has been told to look for ways of closing a DM 6bn gap, likely to arise in the state-backed pensions fund next year. One possibility might be to postpone pensions increases.

World Weather

		°C	°F			°C	°F			°C	°F			°C	°F
Ajaccio	C	14	57	Dubrovnik	S	17	63	Malaga	F	19	66	Salzburg	C	8	46
Akrotiri	S	18	64	Faro	C	19	66	Malta	S	21	70	Seoul	R	13	55
Algiers	C	19	66	Florence	F	17	63	Manila	S	35	95	Singapore	C	33	91
Amsterdam	R	6	43	Frankfurt	C	8	46	Miami	C	20	68	Stockholm	Sn	0	32
Athens	S	17	63	Funchal	F	16	61	Milan	F	13	55	Strasbourg	C	10	50
Bahrain	S	22	72	Geneva	C	10	50	Moscow	C	2	36	Sydney	S	29	84
Bangkok	S	33	91	Gibraltar	F	18	64	Munich	F	8	46	Taipei	S	25	77
Barcelona	F	16	61	Guernsey	R	9	48	Nairobi	F	30	86	Tangier	F	20	68
Beirut	S	18	64	Helsinki	Sn	0	32	Naples	C	14	57	Tehran	—	—	—
Belgrade	C	8	46	H. Kong	C	26	79	New Delhi	S	25	77	Tel Aviv	—	—	—
Berlin	C	5	41	Innsbruck	F	11	52	New York	S	5	41	Tenerife	C	20	68
Biarritz	F	12	54	Inverness	R	5	41	Nice	S	16	61	Tokyo	C	17	63
Blackpool	R	8	46	Istanbul	S	16	61	Oporto	S	16	61	Toronto	C	-4	25
Bordeaux	C	11	52	Jersey	R	9	48	Oslo	S	4	39	Tunis	S	20	68
Brussels	R	6	43	Jo'burg	C	22	72	Paris	C	11	52	Valencia	D	12	54
Budapest	Th	5	41	Las Palmas	F	20	68	Prague	S	6	43	Venice	F	13	55
B. Aires	S	25	77	Lima	S	29	84	Reykjavik	S	-3	27	Vienna	C	10	50
Cairo	S	23	73	Lisbon	S	17	63	Rio de J'o	C	26	79	Warsaw	F	5	41
Cape Town	F	23	73	Locarno	F	16	61	Rome	S	17	63	Zurich	F	9	48
Caracas	C	33	91	London	S	15	59								
Casablanca	C	17	63	Los Angeles	C	12	54								
Copenhagen	C	5	41	Luxembourg	R	5	41								
Corfu	C	16	61	Madrid	S	18	64								
Dublin	R	8	46	Majorca	C	16	61								

Readings at mid-day yesterday:

C-Cloudy D-Drizzle F-Fair Fg-Fog H-Hail R-Rain S-Sun Sl-Sleet Sn-Snow T-Thunder

Pressure on oil price

Continued from Page 1

for their oil, or, indeed, how much they are producing."

Traders on the International Petroleum Exchange already seem to have discounted further price cuts. In recent days, they have agreed on prices around $230 a tonne for April deliveries of gas oil. Czarnikow Schroder, one of the leading traders, calculates that the gas oil price and current spot market rates for other refined products would indicate a value for Arabian Light of between $26 and $26.50 a barrel.

Gas oil futures prices for October delivery are also around $230 a tonne. However, because of various seasonal factors, the value of Arabian Light would then appear to be nearer $25–$25.50 a barrel, according to Czarnikow Schroder.

One leading oil analyst, close to the futures market, said that prices appeared to reflect conflicting opinions between those who thought that Opec might hold the reference price at or around $29 and those who expected prices to slide to well below $25 a barrel.

Other pricing indicators – rates on the crude and product spot markets and prices paid by consumers for such products as petrol, heating oil and fuel oil – all show that the official Arabian Light price is between $1 and $2 a barrel too high

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SECTION II – INTERNATIONAL COMPANIES
FINANCIAL TIMES
Thursday March 24 1983

Finsider reduces loss as steel output falls

BY JAMES BUXTON IN ROME

FINSIDER, the holding company of the Italian state steel sector, managed to reduce its losses last year from the record L2,130bn ($1.48bn), reached in 1981. But the eventual figure of L1,458bn represents a sharp disappointment to hopes that the company's losses could be brought down to a more manageable level.

Sig Lorenzo Roasio, the chairman of the company which is part of the IRI group, yesterday told a parliamentary committee in Rome that sales in 1982 rose 18 per cent to about L10,000bn. The gross operating margin rose sharply from L97bn in 1981 to L525bn in 1982.

This, however, was wiped out by higher financial charges as a result of the higher cost of borrowed money, deterioration of the lira/dollar exchange rate and delays in obtaining fresh capital from the Government. Financial charges amounted to more than L1,500bn.

Finsider's steel producing operations, which account for the major part of its sales, were badly hit by a sharp fall in demand in the second part of last year, which the company had not forecast. Steel production in January 1983 was 27 per cent less than a year earlier.

Finsider last week met a poor reception from the steel industry unions to its plans to make the first serious cuts in employment which the industry has suffered. The state steel workforce in Italy, in contrast to that of other countries, has fallen by only 1 per cent since 1974.

Finsider plans to cut the workforce by 16,000 jobs by the end of 1987, out of a workforce of 120,000. About 11,000 jobs are to go in the three years to 1985. Steel production is planned to fall 2.58bn tonnes this year and a further 1.52m tonnes in 1985. The company says the jobs will be lost by means of natural wastage, early retirement and the use of state subsidised lay-off.

The unions have described the plan as excessively recessionary, however, and intend to oppose it.

The Italian Government is due soon to present to the EEC Commission in Brussels Finsider's plan for reductions in capacity, which will go hand in hand with the labour force cuts. The company intends to cut 2.4m tonnes of steel-making capacity by closing large parts of a plant at Genoa and making cuts at other plants.

The plan is a substantial advance, from the point of view of the EEC Commission, compared with the 1981 plan which proposed capacity reductions of only 600,000 tonnes. But it falls short of the Commission's demand that Italy close one integrated steel-making centre completely.

The Italian Government and the EEC have, however, agreed on cuts in steel-making capacity by the Italian private sector, amounting to 2.6m tonnes, which will be spread over 46 private companies.

IADB borrowing may rise to $2bn

By Peter Montagnon in Panama

THE Inter-American Development Bank is projecting a further sharp increase to around $2bn in its borrowing on international capital markets this year.

This compares with borrowings of only $1.38bn in 1982 and less than $1800m in 1981, according to its treasurer, Mr Henry Costanzo.

In the first quarter, the bank has secured borrowings of some $450m, he told the Financial Times at the bank's annual meeting in Panama. Only around $50m of this total was actually raised in U.S. currency, he added.

The bank is now planning to raise a large bond issue of between $150m and $200m on the U.S. market in the second quarter.

It has kept clear of this market so far in anticipation of lower interest rates and because the bank's involvement in Latin America has led at times to its selling off bonds in the secondary market.

The Inter-American Bank bonds in New York have been trading at yields of up to 30 basis points higher than paper issued by the World Bank.

A similar phenomenon has been seen in the British Bulldog market where the spread over gilts on its £75m issue launched last year has widened to around 200 basis points from the issue price of 125 points.

This has required the bank to initiate a re-education process among investors, Mr Costanzo said, stressing the bank's financial soundness and the insignificance of arrears on loans extended to developing countries in Latin America.

The recent agreement on an increase in the bank's capital by $13bn has helped, in that respect, Mr Costanzo said.

The Inter-American Bank has no plans to follow the World Bank into short-term borrowing. Nor does it see any need to undertake interest-rate swaps whereby it would concentrate on raising floating-rate finance and swap this with fixed-rate debt incurred by other prime borrowers, he added.

SPANISH COMPANY SUES ITS FORMER HEAD

Rumasa battle in English courts

BY RAYMOND HUGHES, LAW COURTS CORRESPONDENT, IN LONDON

THE RUMASA affair, which erupted last month when the Spanish Government expropriated the country's largest private sector holding company, has spilt over into the English High Court.

A battle has begun between Rumasa and its founder and former head Sr Jose Ruiz-Mateos, over the ownership of an English company, Multinvest (UK), which has a registered office in Cheapside, London.

Rumasa alleges that Multinvest was set up, either as an undisclosed subsidiary of Rumasa, or by Sr Ruiz-Mateos for his own benefit.

Rumasa and two of its 18 subsidiary banks – Banco De Jerez and Banco Del Norte – have issued a writ against Multinvest (UK), Sr Carlos Quintas, its managing director, and Sr Ruiz-Mateos.

The action is one of a number begun by Rumasa in various countries in an attempt to retrieve what it believes to be assets belonging to the group.

At a private High Court hearing on March 11 the Spanish Government was granted an order allowing it to search Multinvest's offices and seize any documents relevant to the dispute.

On March 14 and 15, again in private, a series of orders were made against the three defendants, and Mr Ian Bond, of Deloitte, Haskins & Sells, was appointed as receiver of certificates for bearer shares of Multinvest N.V., a Dutch Antilles associate of Multinvest (UK), and nine other companies.

The case surfaced in open court for the first time yesterday, when certain of the orders were continued, without opposition, until another hearing in May.

The defendants were given 21 days to put in evidence, with Rumasa to have 21 days thereafter to reply to that evidence. A date is to be fixed for another hearing some time after May 4.

The orders that were continued included an injunction stopping Multinvest (UK), Sr Quintas and Sr Ruiz-Mateos parting with possession of, or "hiding, defacing, altering or destroying" any "document, deed, instrument, writing, file, paper, microfilm" or any other record anywhere in the world relating to Multinvest (UK)'s business, or to any other business known by the defendants to have been controlled or directed by Sr Ruiz-Mateos or Rumasa.

Sr Quintas and Sr Ruiz-Mateos were also ordered to disclose to Rumasa any such records not already in Rumasa's possession and to allow Rumasa to inspect them.

Multinvest (UK) was ordered not to deal with or dispose of any of its assets, other than to pay legal costs, staff salaries and office expenses, without Rumasa's written consent.

The three defendants were also ordered to hand over any of the bearer share certificates in their possession to Mr Bond.

Rumasa gave a cross-undertaking in damages, backed by a guarantee from the London branch of the Bank of Bilbao. The court was told that Rumasa had undertaken to reimburse Sr Quintas's legal costs and that Multinvest, which was said to be adopting "a neutral position" in the matter, would be seeking a similar undertaking with regard to its costs.

Mr Allan Heyman, QC, for Sr Ruiz-Mateos, told Mr Justice Mervyn-Davies that he had only been instructed on Tuesday.

Mr Peter Irvin, for Sr Quintas, said he was an innocent party, "caught in the crossfire."

Mr Colin Brodie, QC, for Rumasa, said that when the case came on for a full hearing it would clearly take a considerable amount of time.

Conditional consent to Itel plan

BY TERRY BYLAND IN NEW YORK

THE SAN Francisco bankruptcy court has given conditional approval to the reorganisation plan at Itel, the capital equipment leasing group which has been operating under Chapter 11 of the Federal Bankruptcy Act for the past two years.

As expected, the court's approval depends on Itel succeeding by July 1 in completing a settlement with several class action plaintiffs who agreed in December to accept payments of up to $40m and also in achieving its inention to reduce to $844.8m claims by its major unsecured creditors, who include banks, suppliers and other trade creditors.

Itel, whose problems were caused by the collapse of its computer leasing operations, has already reduced the unsecured claims total from $900m to $870m and said it hopes to meet the July deadline.

The San Francisco-based group, whose operations now lie in rail car and cargo container leasing, also disclosed yesterday that operating results for this year are likely to be "less favourable" than projected in a corporate disclosure document last August.

While stressing that it would "still be able to meet its fixed obligations and commitments under the plan," Itel admitted yesterday that the slowdown in operations meant lower revenues and cash flow between 1984 and 1987 and that interest and dividend payable under the reorganisation plan are likely to be paid "later and in lesser amounts" than originally projected.

Reorganisation at Alexander

BY JOHN MOORE, CITY CORRESPONDENT, IN LONDON

ALEXANDER & Alexander Services, the world's second largest insurance broker, has reorganised its troubled insurance underwriting subsidiaries, largely acquired when the group took over the Alexander Howden Group.

The underwriting interests in Britain and the U.S. have been reorganised under the direction of senior vice president Mr Joseph E. Morahan.

In his new role Mr Morahan will have overall managerial responsibility for Sphere Drake Insurance in London and has been elected to Sphere's board. Mr Ian Dean is to continue as Sphere Drake's chairman and chief executive officer.

"There will be no consolidation of Alexander & Alexander's underwriting interests," Mr Morahan stated. "They will continue to operate independently with their present management teams."

Also affected by this move are the American firms of Atlanta International Insurance Company, American Special Risk Insurance Company and Stone Mountain Insurance Company, all based in Atlanta, Georgia; and the insurance underwriting management firm of Shand, Morahan & Company in Evanston, Illinois.

BSW buys into other Korf subsidiaries

BY JAMES BUCHAN IN BONN

BADISCHE Stahlwerke (BSW), the chief steelmaking subsidiary of Herr Willy Korf's troubled steel and engineering group, is seeking to create a slimmed-down structural steel group by taking shares in three other Korf subsidiaries.

BSW, whose decision to follow the Korf master company, Korf Industrie und Handel (KIH), into debt settlement proceedings precipitated the Korf group's collapse, announced yesterday that it had taken stakes in three KIH subsidiaries involved in steel finishing.

This was made possible by DM 40m ($16.6m) in bank loans backed by a guarantee from the state of Baden-Württemberg, which is expected to be approved by the local parliament in Stuttgart next month.

Speaking before the opening of BSW's debt composition proceedings yesterday, BSW said that in addition to the stakes taken in Besta Betonstahl, Kaiser Omnia and Isar Baustahl, the company intended to take over Korf's 7 per cent holding in a steelworks in Saudi Arabia.

The new concept would create a group with around 2,000 employees and sales of about DM 900m a year. BSW, which made sales of DM 320m in 1982 and produced 500,000 tonnes of steel, would supply about 75 per cent of the new group's needs.

BSW's creditors will meet on April 21 and are expected to agree to write off 50 per cent of their demands against the company.

RWE reports slower growth in revenue

BY JOHN DAVIES IN FRANKFURT

RHEINISCH-Westfälisches Elektrizitätswerk, the main West German electricity utility, has reported slower growth in revenue.

Overall sales in the six months to the end of December, the first half of the present financial year, reached DM 12.2bn ($5bn). Although this is an increase of 9.1 per cent on the same period a year earlier, it amounts to a slackening of growth in relation to earlier performance.

RWE has already announced that electricity use dropped 1.8 per cent in the six months to December because of the mild winter and deepening recession.

In a letter to shareholders, RWE attributes the revenue growth mainly to higher prices for petroleum products, although it says these still did not cover costs.

RWE, which is about 30 per cent owned by the public sector, is a dominant supplier of West German power. Electricity accounts for more than half of its sales revenue, supplemented by petroleum and chemicals and brown coal.

The group says that investment went ahead strongly in the six months to December, increasing by 11.9 per cent to DM 2.25bn.

Despite short-term fluctuations in demand, RWE has indicated that it is pushing on with a long-term programme of investment expansion. The utility recently launched a rights issue to raise DM 810m from shareholders.

Pirelli and Co holds dividend

BY OUR ROME STAFF

PIRELLI AND CO, the Milan-based investment company that has important stakes in the two holding companies of the Pirelli cables and tyres group, made virtually unchanged profits in the financial year to December 31, 1982.

Profits were L6.336bn ($4.4m) against a figure of L6.371bn in 1981. The company is to pay an unchanged dividend of L160 a share.

Pirelli and Co recently increased its capital from L34.2bn to L51.3bn by means of a rights issue.

LONDON RECENT ISSUES

EQUITIES

Issue price	Amount paid up	Latest Renunc. date	1982/3 High	1982/3 Low	Stock	Closing price	+ or −	Net Div.	Times Covered	Gross Yield	P.E. Ratio
140	F.P.	15/4	145	132	♣Airship Inds	132	−1	—	—	—	—
112	F.P.	16/3	154	129	Assoc. British Ports	154	...	b7.0	1.5	6.5	14.6
—	F.P.	—	100	98	Atl'tc M'trp'n U.S.$.10	98	......	Q8c	0.6	5.5	32.8
§74	F.P.	21/1	158	103	♣Canvermoor	157	......	b3.64	2.0	3.8	15.5
‖‖	F.P.	15/4	220	200	♣Grainger Trust	200	......	u3.8	2.5	2.7	18.1
§38	F.P.	8/4	112	89	♣HB Elect Comps 10p	98	......	u1.12	3.2	1.6	20.0
§190	F.P.	4/3	388	305	♣Microgen	320	−15	b4.0	2.9	1.8	28.3
§155	F.P.	7/1	255	198	♣Munford & White	203	−4	b2.8	2.4	1.8	32.1
§95	F.P.	4/2	198	145	♣Resource Tech. 10p	156	+6	—	—	—	30.0
‖‖	F.P.	—	110	83	♣Sinclair (Wm.)	83	......	‡4.25	1.0	7.5	19.7
‖‖	F.P.	—	105	77	Do. Defd	73	......	—	—	—	—
175	F.P.	25/3	303	253	Superdrug Stores 10p	253	−2	bd3.5	2.4	1.9	31.1
120	F.P.	—	125	98	♣Swindon Priv Hos £1	98	......	—	—	—	—
§10	F.P.	11/3	29	22	♣Tele.Services Int 10p	25½	......	b0.2	3.3	1.1	38.0
§72	F.P.	30/3	113	89	♣Utd. Packaging 10p	113	......	b2.5	3.2	3.2	12.0
§150	F.P.	18/2	340	265	♣WightCollinsR. $10p	280	−2	bd2.75	3.3	1.4	31.2
—	F.P.	3/3	25	20	Yorks & Lancs. W'rrnts	20	......	—	—	—	—

FIXED INTEREST STOCKS

Issue price £	Amount paid up	Latest Renunc. date	1982/3 High	1982/3 Low	Stock	Closing price £	+ or −
99.451	£20	10/4	21⅞	18	Birmingham 11½% Red. 2012	15¾	+¼
¶100	£10	9/6	10¾	10¼	E.WorcestershireWater 7% Rd. Prf. 1990	10¼	......
**	F.P.	31/3	224p	168p	Electro-Protective 7% Cnv. Prf.	168p	......
18	£25	30/6	25½	24¼	Hambros Inv. 6-17% Stpd. Deb. 2018	25	......
—	—	—	100⅝	99	Nationwide Bdg. Soc. 11⅞% Bds. 25/1/84	100⅝	......
—	—	—	100⅞	100	Do. 11⅞% Bds. 15/2/84	100⅞	......
—	—	—	100¼	100	Do. 11¼% Bds. 19/3/84	100½	......
§97.174	£25	6/5	30½	22	Pearson (S) 13% Uns. Ln. 2007	28½	−¾
¶100	£10	9/6	12	12	Sutton Dist. Water 7% Pref. 1988	12	......

"RIGHTS" OFFERS

Issue price	Amount paid up	Latest Renunc. date ●	Latest Renunc. date ■	1982/3 High	1982/3 Low	Stock	Closing price	+ or −
250	F.P.	26/2	28/4	342	273	AGB Research 10p	330	−3
73	Nil	12/4	15/6	21pm	17pm	♣Aidcom Int. 10p	21pm	+2
‖140	Nil	25/3	15/4	12½pm	—	♣Airship Inds.	—	......
280	Nil	25/3	25/4	110pm	85pm	Applied Computer	110pm	+3
3½	Nil	4/3	28/3	18pm	9pm	Audiotronic 2½p	14pm	......
11	Nil	—	19/4	2¾pm	1pm	♣Berkeley & Hay Hill Invs 10p	1pm	......
10	Nil	—	—	2¼pm	1½pm	Bluemel Bros.	2pm	......
155	Nil	—	—	31pm	20pm	Brit. Car Auctions 10p	31pm	......
73	F.P.	7/3	15/3	105	85	Dominion Int. 20p	90	−2
385	Nil	—	—	143pm	137pm	Fisons £1	143pm	...
102	Nil	7/5	29/6	14pm	11pm	♣Garfunkels 10p	14pm	+2
163	F.P.	11/3	10/6	183	168	Geers Gross 10p	170	...
90	F.P.	21/2	7/4	158	150	Grosvenor Group	156	...
30	Nil	—	—	14pm	10pm	Guinness Peat	12pm	+1
140	Nil	28/3	6/5	54pm	40pm	Magnet & Southerns	44pm	−6
25	F.P.	18/3	25/4	29	23	Mettoy	26	...
27	F.P.	21/7	7/4	36	32	Mount Charlotte 10p	36	...
A$1.50	Nil	—	—	57pm	39pm	North B. Hill 50c	39pm	......
60cts	F.P.	11/3	—	38	32	Rand Lon. Corp. 15cts	32	...
58	F.P.	3/2	29/4	75	61	Staks 10p	75	+1½
400	F.P.	4/3	22/4	490½	426	Ultramar	505	....
81	Nil	28/3	6/5	31pm	22pm	Valor	22pm	...

Renunciation date usually last day for dealing free of stamp duty. b Figures based on prospectus estimates. d Dividend rate paid or payable on part of capital: cover based on dividend on full capital. g Assumed dividend and yield. u Forecast dividend; cover based on previous year's earnings. H Dividend and yield based on prospectus or other official estimates for 1983. Q Gross. ‡ Cover allows for conversion of shares not now ranking for dividend or ranking only for restricted dividends. § Placing price. p Pence unless otherwise indicated. ¶ Issued by tender. ‖ Offered to holders of ordinary shares as a "rights." ** Issued by way of capitalisation. §§ Reintroduced. ¶¶ Issued in connection with reorganisation merger or take-over. ‖‖ Introduction. ⌈⌉ Issued to former preference holders. ■ Allotment letters (or fully-paid). ● Provisional or partly-paid allotment letters. ★ With warrants. †† Dealings under special Rule. ♣ Unlisted Securities Market. ‡‡ London Listing. ‡ Effective issue price after scrip. † Formerly dealt in underspecial rule.

INTL. COMPANIES

Myer Emporium acquires stake in Grace Brothers

BY MICHAEL THOMPSON-NOEL IN SYDNEY

"SAME GAME, different players," was one executive's reaction to the news that Myer Emporium has paid A$43m (U.S.$37.4m) for a 19.7 per cent stake in rival retailer Grace Brothers Holdings. The purchase was made from Savona, which represents the Australian interests of Tan Sri Khoo Tech Puat, the Singapore millionaire hotelier and developer.

At the same time, Myer announced it had sold the Chadstone shopping complex in Melbourne, Victoria, to another retail chain for A$37m, as part of a property rationalisation programme which has already yielded A$70m.

In a deal last month, Myer sold its department stores in New South Wales to the Sydney-based Grace Brothers for about A$70m, though Mr John Dahlsen, Myer's deputy chairman, says the transactions were not connected.

Myer's re-entry into New South Wales retailing has angered the unions, which have criticised the loss of jobs involved as "pointless."

Myer's acquisition of a stake in Grace Brothers is the latest twist in a protracted game of musical chairs that has enlivened the Australian retailing scene since mid-1982.

In a three-way struggle for control of Grace Brothers last year, Bond Corporation (which controls another retailer, Waltons Bond), Savona, and Adelaide Steamship (Adsteam, which controls the David Jones retail chain) each acquired almost 20 per cent of Grace Brothers.

Woolworths of Australia, another retailer which is not related to F. W. Woolworth of the U.S. or to Woolworth Holdings of the U.K., subsequently launched a A$186m offer for Grace, but withdrew it on learning of a 25 per cent plunge in Grace's profits for the year to last July.

Woolworths' decision to withdraw was subsequently upheld by the New South Wales Supreme Court. However, challenges, court cases, writs and appeals still hang darkly in the air.

As a result of the latest manoeuvre, the present ownership of Grace Brothers (excluding convertible notes), is made up as follows: Grace family interests, 17.5 per cent; Adsteam, 19.2 per cent; Myer, 19.7 per cent; Bond Corporation, 18 per cent; Woolworths, 6.8 per cent; Westfield (a shopping centre developer), 4 per cent; and other miscellaneous interests, 14.8 per cent.

Apart from retailing, Grace has interests in travel and transport. Profits for the year to last July 31 were A$13.7m, but second-half profits plummeted by 76 per cent to A$1.5m.

Savona, which originally paid about A$3.50 a share for its stake in Grace Brothers, received an average of A$3.65 from Myer for its 10.86m Grace shares and 937,800 convertible notes, so is not overly distressed.

It is unclear whether Tan Sri Khoo will repatriate his funds to Singapore, or cast around for alternative Australian investments, which already include extensive interests in hotels and property.

Savona is lending Myer A$37.5m at 10 per cent over 60 days to help facilitate its Grace purchase.

Analysts expect Myer to eventually resolve the current instability at Grace Brothers, either by increasing its stake or by initiating a full-scale merger. A merger move, it is thought, would satisfy both Adsteam and Bond Corporation, though in the hothouse of Australian retailing nothing is certain.

Mr Dahlsen said Myer's latest actions represented a significant move out of property and into department stores. "We own too much property relative to our balance sheet," he said.

Myer's profit in the year to last July 31 was 50 per cent lower at A$19m, mainly because of interest charges which soared from A$25m in the previous year to A$57.8m.

Guthrie in Philippines expansion

BY EMILIA TAGAZA IN MANILA

GUTHRIE, the Malaysian plantations group, is to expand its 400m peso ($47m) oil palm estate in the southern Philippines. The National Development Company (NDC), the Government investment arm which owns 60 per cent of the plantation venture, said that it and Guthrie would develop another 4,000 hectares, in addition to the 4,000 hectares already planted.

The expansion move is to be aided by £14.3m (US$20.9m) in loans obtained last January by NDC-Guthrie from the Commonwealth Development Corporation (CDC) and the International Finance Corporation (IFC), the World Bank affiliate. CDC granted a £6.5m facility after long discussions in the UK, while the IFC extended a $11m loan.

Under the original $47m venture, NDC-Guthrie are to crush all their oil palm output for export to Malaysia. NDC said that the construction of a $9.6m crushing mill will start before the middle of this year and will come on stream by early next year. Kumpulan Emas, another Malaysian company, is to supply and install the mill, which will have a capacity of 400 tonnes a day.

Guthrie's entry into the Philippines has paved the way for other foreign plantation groups, including Sime Darby and Keck Seng of Singapore. All the plantation ventures are in partnership with NDC, the only company allowed by law to own more than 1,000 hectares of land. Keck Seng is also developing a 4,000-hectare oil palm estate close to Guthrie's plantation. Unlike Guthrie, however, Keck Seng plans to build a refining facility that will have an annual capacity of 41,000 tonnes.

BASE LENDING RATES

A.B.N. Bank	10½%	■ Guinness Mahon	10½%
Al Baraka International	10½%	■ Hambros Bank	10½%
Allied Irish Bank	10½%	Heritable & Gen. Trust	10½%
Amro Bank	10½%	■ Hill Samuel	§10½%
Henry Ansbacher	10½%	C. Hoare & Co.	†10½%
Arbuthnot Latham	10½%	Hongkong & Shanghai	10½%
Armco Trust Ltd.	10½%	Kingsnorth Trust Ltd.	12%
Associates Cap. Corp.	11%	Knowsley & Co. Ltd.	11%
Banco de Bilbao	10½%	Lloyds Bank	10½%
Bank Hapoalim BM	10½%	Mallinhall Limited	10½%
BCCI	10½%	Edward Manson & Co.	12%
Bank of Ireland	10½%	Midland Bank	10½%
Bank Leumi (UK) plc	10½%	■ Morgan Grenfell	10½%
Bank of Cyprus	10½%	National Westminster	10½%
Bank Street Sec. Ltd.	10½%	Norwich Gen. Tst	10½%
Banque Belge Ltd.	10½%	P. S. Refson & Co.	10½%
Banque du Rhone	11½%	Royal Trust Co. Canada	10½%
Barclays Bank	10½%	Roxburghe Guarantee	11%
Beneficial Trust Ltd.	11½%	Slavenburg's Bank	10½%
Bremar Holdings Ltd.	11½%	Standard Chartered	‖10½%
Brit. Bank of Mid. East	10½%	Trade Dev. Bank	10½%
■ Brown Shipley	11%	Trustee Savings Bank	10½%
Canada Perm't Trust	11%	TCB	10½%
Castle Court Trust Ltd.	11%	United Bank of Kuwait	10½%
Cayzer Ltd.	10½%	Volkskas Intl. Ltd.	10½%
Cedar Holdings	11%	Westpac Banking Corp.	10½%
■ Charterhouse Japhet	10½%	Whiteaway Laidlaw	11%
Choulartons	11½%	Williams & Glyn's	10½%
Citibank Savings	¶10%	Wintrust Secs. Ltd.	10½%
Clydesdale Bank	10½%	Yorkshire Bank	10½%
C. E. Coates	11%		
Comm. Bk. of N. East	10½%		
Consolidated Credits	11%		
Co-operative Bank	*10½%		
The Cyprus Popular Bk	10½%		
Duncan Lawrie	10½%		
E. T. Trust	11½%		
Exeter Trust Ltd.	11½%		
First Nat. Fin. Corp.	13½%		
First Nat. Secs. Ltd.	13%		
Robert Fraser	11½%		
Grindlays Bank	‡10½%		

■ Members of the Accepting Houses Committee.
* 7-day deposits 7.5%; 1-month 7.75%. Short-term £8,000/12-months 10.1%.
† 7-day deposits on sums of: under £10,000 7½%, £10,000 up to £50,000 8¼%, £50,000 and over 9%.
‡ Call deposits £1,000 and over 7½%.
‖ 21-day deposits over £1,000 8½%.
§ Demand deposits 7½%.
¶ Mortgage base rate.

Carrian details shares dispute with Jardine

By Robert Cottrell in Hong Kong

CARRIAN HOLDINGS (CHL), unquoted parent of Hong Kong's troubled Carrian group, is disputing the extent of its liability on certain shares held by JF Special Holdings, the investment trust managed by Jardine Fleming, the merchant bank.

The dispute is detailed in a document issued yesterday by JFSH describing a proposed scheme of arrangement whereby the company will create a new subsidiary, Jafpac, which will then become the subject of a HK$85m (U.S.$12.8m) bid by First Pacific, the finance group.

Last year, Jardine Fleming "placed" with institutions 95m shares in Carrian Investment (CIL), CHL's principal quoted subsidiary, carrying a guarantee from CHL to buy the shares back during and after October this year at prices ranging between HK$4.25 and HK$5.

The JFSH stake is thought to have arisen from this placement. The sum involved at JFSH is relatively small and the company says it believes it can require CHL to buy its CIL holding back at HK$4.55 per share. According to the JFSH board, CHL claims the price payable is HK$4.13.

The dispute turns on whether CHL's liability is reduced in proportion to a one-for-ten issue of new shares made by CIL in lieu of a revoked interim dividend in October 1982.

However, the dispute raises the broader question of CHL's overall liability for the buy-back shares, which could total almost HK$400m. On a "break-up" basis at November 30 1982, CHL had shareholders funds of minus HK$1.15bn, while on a similar basis CIL's net assets were about 15 cents per share. The CHL figure does not take into account its liability on the CIL share placement.

JFSH says in its document that it has placed a nil valuation on its CIL shares.

● Hongkong Electric Holdings, one of the territory's two electric utilities, has announced net profits for 1982 of HK$784.6m, a 28 per cent increase over the HK$610.6m reported for 1981. Hongkong Electric's profits are government-regulated by a formula restricting its return on fixed assets. A final dividend of 22 cents makes 35 cents for the year, against the 29 cents.

● Hong Kong stockbrokers believe that the Hongkong Land Company and Jardine Matheson may be preparing a major joint funding exercise. The two companies own about one-third of one another's equity. The favoured speculation is that Land may be selling its stake in the Hongkong Telephone Company, 34 per cent of whose equity is acquired between 1981 and January 1982.

Land is unofficially estimated to have paid about HK$1bn for the telephone stake.

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INTL. COMPANIES & FINANCE

Japan takes to the roads in latest Daihatsu engineering innovation

BY CHARLES SMITH, FAR EAST EDITOR IN TOKYO

ALTHOUGH Japan's car market is dominated by two giants whose combined share of sales exceeds 60 per cent, the half-dozen smaller companies that compete for the rest of the market often seem to make the running when it comes to producing new ideas. An example of this is the diesel-powered version of Daihatsu Motor Company's Charade—a small car which has been a *runaway* best seller since it hit Japan's domestic market at the end of January.

Daihatsu seems originally to have planned to produce about 2,000 diesel-driven Charades per month, and perhaps twice as many of the petrol-driven version of the same car. In February, however, roughly 70 per cent of the 16,000 Charades that were either sold or ordered were the diesel version of the car with the balance of 30 per cent being accounted for by the petrol-driven version.

Daihatsu is putting its workers on maximum overtime to step up output of diesel engines, while shifting the emphasis of its sales campaign temporarily away from the diesel-powered Charade to the more conventional petrol-powered car. In the meantime, the company's car sales have received a 20 per cent boost over year-ago levels, compared with a rise of only 6 per cent for the domestic Japanese car market as a whole.

The key point about the Charade is that its engine capa*city of just under 1,000 cc makes* it, by a comfortable margin, the smallest diesel-powered car in the world. The next smallest car in Japan is a Nissan model with a 1,700 cc engine, while the world leader in the small diesel stakes, until recently, has been the 1,300 cc Fiat F car.

Daihatsu engineers took about five years to develop the fuel control system and overall engine design that solved the problems of noise and power loss normally associated with very small diesel engines. One of the keys to success seems to have been the choice of a three cylinder format for the Charade engine, instead of the four cylinder format used by almost all other manufacturers.

The removal of one cylinder, according to Daihatsu, helped to eliminate some of the air loss *associated with the four cylinder* format. A three cylinder engine also delivers greater power in relation to its size and weight, largely because of the reduction of mechanical loss achieved by minimising the number of moving parts. This helped Daihatsu to get round the classic snag of building small engines—the fact that engine *weight rises rapidly in proportion* to power as the capacity of individual cylinders is lowered.

Before Daihatsu came out *with the diesel-powered* Charade, diesel-driven cars accounted for a mere 3.6 per cent of cars sold in Japan, compared with 14.4 per cent in West Germany, where the diesel-powered Golf is a best seller, and over 10 per cent in both France and Belgium. One reason for the lack of interest in Japan in diesel cars would seem to have been the fact that Japanese roads tend to be too congested *for drivers* to clock up the mileage needed to realise the diesel engine's full potential for fuel economy. In *the case of the Charade, how*ever, even drivers faced with Japanese traffic conditions seem likely to enjoy fairly substantial savings.

Daihatsu claims that the car will cover around 37 kilometres on a litre of fuel at a standard cruising speed of 60 kilometres per hour or about 26 kilometres to the litre on the "10 mode" test formula used for measuring *the fuel performance of petrol* cars in Japan. Since the best record to date for a petrol driven car tested on the "10 mode" formula is 22 kilometres to the litre, the Charade would seem to have a very clear edge *in terms of fuel consumption.* It enjoys the added advantage that, in Japan, diesel fuel sells for around Y120 per litre, *whereas the per litre cost of* petrol is at least Y150.

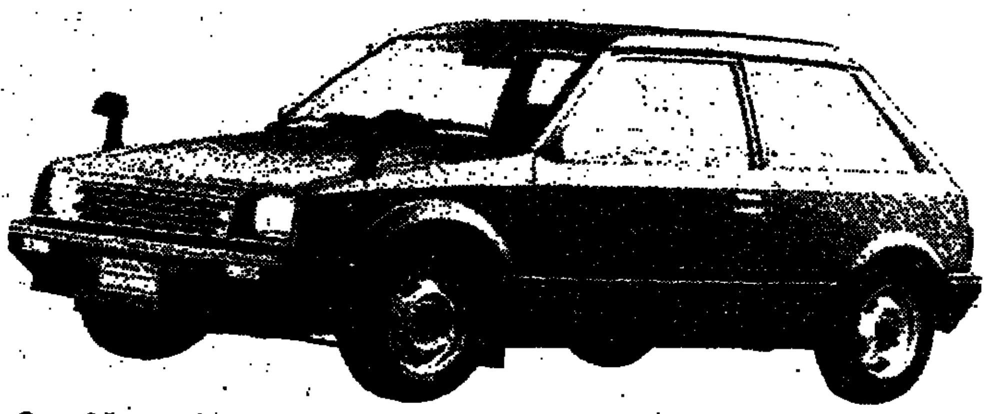
The diesel-powered Charade costs about Y75,000 ($300 or so) more to buy than the petrol driven version, but Daihatsu claims that drivers in most parts of Japan should expect to be able to recoup this within a year of "average" driving. Those lucky enough to live in Hokkaido, the underpopulated northern island where space traffic conditions allow greater mileage than in the south and centres of country, are being promised bigger and faster *savings. This may explain why* 90 per cent of the Charade orders Daihatsu has so far received from Hokkaido are for the diesel version.

Daihatsu plans to start exports of both versions of the new Charade to Western Europe by the autumn of 1983, where the car's main competitors look like being the Volkswagen Golf which needs 6.8 litres of fuel to cover 100 kms under standard European testing conditions and the Fiat 127, which uses 6.5 litres. Daihatsu claims that the *Charade can cover the same* ground with 5.3 litres of fuel, but it is taking care not to suggest that the Charade will overrun world markets just because of its low fuel consumption. Average monthly exports *of around 6,000 cars* (both diesel and petrol-powered) are the company's target, with the emphasis probably being placed *on south east Asia.*

Daihatsu was Japan's sixth largest car maker in 1982 with a modest 3 per cent of the domestic market for cars and a 6 per cent share of the total vehicle market, including vans and trucks. These figures, however, conceal the fact that, apart from making and selling its own cars, Daihatsu makes cars, vans and four wheel drive "rover" type vehicles for *Japan's largest motor vehicle* manufacturer, Toyota.

About 20 per cent of Daihatsu's output carries the *Toyota label. In particular,* Daihatsu is responsible for the entire output of the Toyota Starlet, a 1.3 litre compact car which occupies the next slot above Daihatsu's own small sized vehicles in the domestic Japanese car market.

The Toyota-Daihatsu relationship (which includes a 12 per cent capital stake by Toyota in Daihatsu) has enabled the two companies to pool much of their engineering know-how and to procure components jointly. What the relationship has not done is stifle the *independence of one of Japan's* most original small car makers.



One of Japan's smaller motor manufacturers, Daihatsu, has brought to the market the smallest diesel-driven car in the world, the Charade, with an engine capacity of just under 1,000 cc. *Cutting the number of cylinders to three has played a key* role in the development. Low fuel consumption has made it a best seller in Japan since it came on offer at the end of January. Daihatsu plans to start exports of the car and its petrol-driven companion to Western Europe by the autumn

UK COMPANY NEWS

Ocean £20m down after marine loss

A SWING into losses on the marine side of its business sliced nearly £20m off pre-tax profits of Ocean Transport and Trading in 1982 and, with extraordinary debits jumping to £46.6m, the company found itself £47m in *the red at the attributable level.* As a result the final dividend is being halved, cutting the total payment from 9p to 6.65p.

Losses per 25p share on a net *basis are given at 0.2p (13.8p* earnings), while on a nil distribution 2.6p (17.6p) was earned.

The results represent a rapid deterioration in the second half of the year, for at halfway the taxable diminution was one of £1.6m to £10.9m.

As regards the current year the directors warn that depressed world trade and Nigeria's stringent import controls are bound to make it especially difficult for Ocean, with the outlook for trading *results worse than in 1982.*

Nevertheless, the group has satisfactory non-marine and associated earnings to help it through a period of poor marine results and the directors say they are satisfied that Ocean will be well equipped to make the most of economic recovery when it occurs.

	1982 £m	1981 £m
Turnover	714.8	672.7
Marine	175.6	194.6
Cory	438.5	406.6
Straits	69.7	47.1
O.I.L.	27.2	20.3
Others	3.8	4.1
Trading profits	22.0	39.2
Ships' sale loss	1.6	*0.1
Interest	18.7	19.7
Share of assoc	12.2	13.8
Profit before tax	13.9	33.4
Marine loss	12.8	*18.8
Cory	10.7	7.6
Straits	10.1	6.8
O.I.L.	4.4	2.2
Others	1.5	†1.8
Tax	7.4	9.3
Profit after tax	6.5	24.1
Minority profits	6.5	3.6
Exchange losses	0.2	4.9
Extraordinary debits	46.6	3.3
Attributable loss	46.8	*12.3
Dividends	7.5	10.1
From reserves	54.3	‡2.2

* Profit. † Loss. ‡ To reserves.

The extraordinary debit for the year under review arises from a decision to write down the LNG carrier Nestor and some of the company's other ships not expected to be required for trades in the long-term. The decision to reduce the book value of Nestor has been made in conjunction with Ocean's partner, Nedlloyd, in order to produce a value more likely to reflect future earnings capacity.

On a CCA basis there was a £2.5m loss for 1982 compared with a £17.4m profit previously.

See Lex

HIGHLIGHTS

Lex looks at the weakness of sterling in the absence of official support before passing on to discuss the surprisingly *large fall in profits from* BICC *which is rapidly losing its high-*flying electronics image. The column then analyses the half-year results from Arthur Bell, concluding that future growth will come increasingly from the U.S. and perhaps by an acquisition. Lex looks at the sharp fall in profits from Ocean Transport and Trading's full year and considers the outlook for the current year's dividend policy before moving on to the Prudential, which pleased the market yesterday with a good dividend increase and a general insurance result less disastrous than expected.

U.S. purchase boosts ADP at nine months

IN HIS statement accompanying the interim trading results Mr James Gulliver, the chairman of liquor group Amalgamated Distilled Products, reveals that the U.S. acquisition last October of Barton Brands for £22.4m has transformed ADP.

The interim figures cover the six months ended September 30 1982. Results for the nine months to end-December 1982 are also released. Group turnover and pre-tax profits for the nine months, which included only 10 weeks contribution from Barton Brands, were £119.97m and £2.75m *respectively, compared* with £45.95m and £1.01m for the same period last year.

Figures for the six months show turnover at £53.71m (£7.68m) and a *taxable* loss of £52,000, compared with a previous profit of £95,000, after a £99,000 charge for discontinued activities.

Trading conditions within the *UK continued to be difficult* through the first six months, but following a satisfactory Christmas quarter UK operating profits for the nine months rose from £1.53m to £2.53m.

Group operating profits for the period advanced sharply to £4.63m (£1.53m) with the lion's share coming from Barton Brands at £2.1m. UK sales and production contributed £1.89m (£947,000) and retail liquor and tobacco £632,000 (£578,000). Barton's share of group turnover amounted to £23.03m and that of discontinued activities £29m.

Barton Brands is expected to make a useful contribution to profits in the final quarter.

The chairman comments that *the full benefits of the acquisition* have yet to be achieved but the current trading performance of the enlarged group is encouraging.

As forecast, a net interim dividend of 1p is being paid on the enlarged capital, against 0.75p. The directors expect to recommend a final of not less than 1.75p (1.25p).

Group pre-tax profits for the nine months were struck after a £156,000 charge (£7,000 surplus) on discontinued activities, administration costs of £326,000 (£286,000) and interest payments of £1.39m (£506,000)—last year's figures were also after an exceptional trading credit of £266,000.

Earnings per 10p share at nine months were 7.51p (8.06p) basic and 6.74p (6.99p) fully diluted.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corre-sponding div.	Total for year	Total last year
ADP ....int.	1‡	—	0.75	—	2
Armstrong Equip. ...int.	nil	—	0.35	—	0.35
Arthur Bell ....int.	2	June 1	1.7	—	5.5
Bestobell	7.8	June 2	7.6	13.5	13
BICC	7.04	July 1	7.04	10.54	10.37
Bridport-Gundry ...int.	1.1	—	0.99	—	2.41
Britania Arrow	0.9	—	0.8	1.7	1.5
Britannic Assurance	12.65	May 12	16.68	18.55	16.1
Charterhouse Pet.	0.5	June 1	0.5	0.75	0.75
Church & Co.	7	—	6	9.5	8.5
City of Aberdeen Land ....int.	4.25	April 15	3.78*	—	12.89*
Richard Clay	2	May 20	1	3	1
Clifford Dairies	3.6	May 20	3.5	5.4	5
DRG	3	—	3	6	6
Eagle Star	10	July 15	8	17	15
Jones & Shipman	0.5	May 19	1.05	0.9	1.8
Laing Properties	3	—	2.75	5	4.5
J. & J. Makin ....int.	1	—	1	—	3
Manders	4.6	May 16	4	6	5.4
Ocean Transport	2.35	June 1	4.7	6.65	9
Silkolene	5	—	4.95	7	6
Sirdar ....int.	1.85	May 17	1.6	—	4.1
Slough Estates	2.08	May 23	1.66*	3.33	2.66*
Utd. Newspapers	7.5†	—	7.5	12	12

Dividends shown price per share net except where otherwise stated.

* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ USM Stock.

Sirdar ahead at £3.4m

For the 28 weeks ending January 14 1983, pre-tax profits of Sirdar, knitting wool manufacturer, rose to £3.37m, an improvement of £440,000 over the figures of the corresponding period last year.

Providing the present level of business is maintained, the directors say, they reasonably expect the results for the second six months to be "equally as encouraging."

Meanwhile, the net interim dividend is being increased from 1.6p to 1.85p from earnings per share of 8.4p, against a previous 7.7p — a final of 2.5p was paid for 1981/82 from taxable profits of £6.18m.

Turnover for the first half expanded by £1.4m to £16.85m. The interim report reveals that the market for hand knitting yarns has been slightly better than for some time but that the *mild autumn weather restricted* sales to some extent.

Tax charge rose from £1.08m to £1.35m.

Britannic Assurance dividends lifted 15%

BUOYANT profits from its long-term business, partially offset by trading losses on its general insurance operations, is reported for 1982 by Britannic Assurance.

The transfer to profit and loss from long-term business was lifted 19 per cent from £3.24m to £3.85m, but the general branch incurred a loss of £167,000 against a profit of £362,000 in 1981, the predominantly personal business being hit by rising theft claims and the adverse winter weather at the beginning of 1982.

Stockholders' net investment income rose marginally to £130,000 so that the overall surplus last year climbed 6 per cent from £3.59m to £3.82m.

The total dividends for 1982 are lifted by 15.2 per cent from 16.1p to 18.55p net, with a final payment of 12.65p net.

The market was pleased with these results, the share price improving 14p to 388p, yielding 7.1 per cent gross.

With profit, policyholders get substantially higher bonus allocations, both from increased reversionary and terminal bonus rates and from a special *reversionary bonus* declaration.

On the ordinary branch, the reversionary bonus rate for assurances is improveed 10p to £5.35 per cent of the sum assured. A special reversionary bonus of £1.25 per cent of attaching bonuses is declared, there was no corresponding declaration in 1981.

The terminal bonus scale is lifted to 40 per cent to 215 per cent of the sum assured for each year's premium paid before 1979 from the previous scale of 27½ per cent to 150 per cent.

On deferred annuity contracts, the reversionary bonus rate is improved by 15p to £6.40 per cent of the basic annuity, and a special reversionary bonus of £1.25 per cent of attaching bonuses is also declared. The terminal bonus scale varies from 40 per cent to 215 per cent of the basic annuity plus attaching bonuses.

In the industrial branch, the reversionary bonus rate rises 10p to £4.20 per cent of the sum assured, plus a special reversionary bonus of 10p per cent of the sum assured for each year in force to 1981 up to a maximum of £4 per cent. The terminal bonus scale varies from 7½ per cent of the sum assured after 10 years to 71½ per cent after 26 years.

Prudential increases its distribution to £587m

THE Prudential Corporation is paying out £587.5m to its with-profit policyholders, allocated in the form of bonus additions to the benefits on with-profit contracts. Shareholders receive £50.4m of the £637.9m surplus on long-term business revealed by the 1982 valuation.

This compares with the £508.7m allocated to policyholders in 1981 and £43.4m received by shareholders.

This 16 per cent increase in life profits more than covered the trading loss of £3.7m after tax loss incurred on general insurance business. *This loss was* less than half the loss of £10.1m incurred in the previous year, despite a slight worsening in underwriting losses from £62.8m to £67.6m. Investment income on shareholders and general insurance funds improved by over 30 per cent from £46.1m to £60.3m.

Other income after tax fell slightly on the year, with reduced contributions from Vanbrugh Life and Prudential Pensions. This resulted in total profit after tax advancing by nearly 30 per cent from £43.2m to £55.6m, with the earnings per share rising from 14.5p to 18.6p.

The dividend for 1982 is lifted by 20 per cent from 12.5p to 15p per share with a *final of* 10p.

Premium income on long-term business rose 12 per cent to £1.38bn with all major sections, except UK group pensions contributing to the growth.

Premium income on general insurance business rose by 16 per cent in sterling terms from £524m to £606m, the underlying growth *allowing for exchange* rate changes being 13 per cent. The capital resources of the group (the equivalent of the solvency margin) amounted to 59 per cent of general insurance premium income at the end of 1982 against 49 per cent at the end of 1981.

Underwriting losses in the UK rose from £13.6m to £20m with commercial business losing £10.2m and domestic business £8.5m. The Pru paid out over £7m on adverse weather claims arising from the severe winter weather at the beginning of the year.

The group made an underwriting profit in Canada of £2.6m against a loss of £9.7m in 1981, coming from the benefit of higher premium rates and lower numbers of motor claims. It does warn that profits *of this order are not likely to be* repeated this year.

Underwriting losses from Mercantile and General reinsurance business jumped from £23.8m to £31.9m accounting for nearly half the overall losses.

Policyholders in both the Ordinary and Industrial branches are receiving the higher surplus in the form of higher additional reversionary bonuses. The annual reversionary rate is kept unchanged at £5.30 per cent of the sum assured in the Ordinary branch and £3.60 per cent in the Industrial branch. The additional reversionary bonus, for both branches is increased from 20p to 30p per cent of the sum assured for each policy year prior to 1981 up to a maximum of £4.50 per cent. Terminal bonus scales in both branches are also improved.

On individual retirement annuities, the basic bonus rate remains unchanged at £8.20 per cent of the basic annuity, with higher terminal and final bonuses. The group has made substantial bonus increases on its with-profit group pension schemes.

See Lex

Strong recovery by Eagle Star

A STRONG RECOVERY in the second half of 1982 resulted in pre-tax profits of Eagle Star Holdings being only 8 per cent *down on the year from £73.8m* to £68m, after being nearly 40 per cent adrift at the half-way stage.

Shareholders are rewarded with a 13⅓ per cent increase in dividend payments from 15p to 17p per share with a 10p final payment.

The group, in common with all other insurance composites, saw underwriting losses climb steadily last year. Those for Eagle Star rose from £42.7m to £63.7m.

Investment income rose by over 13 per cent from £88.3m to £100.3m and life profits rose by £2.9m to £17.2m. Pre-tax profits of the industrial subsidiary Grovewood Securities advanced *from £15.8m to £17m.*

A slightly lower charge for tax and minority interests resulted in net surplus for the year dropping 8 per cent from £38.5m to £35.5m.

General business premium income increased by 9.3 per cent to £521.7m (£477.3m). The solvency margin at the end of 1982 was 110 per cent.

Underwriting losses in the UK jumped from £26.2m to £38.3m *with the severe winter weather* in 1981/82 costing £26m, of which £11m was brought into the 1982 accounts. Losses in the major liability account amounted *to £13m (£9.8m) after allowing* for the strengthening of provisions for industrial disease claims.

Losses on the UK fire account tripled to £6m (£2.1m) while they more than doubled on the "all-in" account from £5.9m to £12.2m. Premium income on UK business continued depressed from excessive competition.

Underwriting losses on overseas business dropped slightly from £16.1m to £15.8m, with improvements in Australia and South Africa, offset by higher losses in Belgium and the U.S.

Losses on reinsurance and foreign risks rose from £500,000 to £5.7m last year reflecting the worldwide competition. Since the end of 1982 the group has been notified of an exceptional amount of industrial disease claims under reinsurance contracts relating to 1965 and earlier. It has used the balance of the catastrophe reserve, set up to meet possible flood losses from the Thames overflowing, which it is considered are no longer required, to strengthen the outstanding reinsurance claims.

● comment

The results from Eagle Star show that it is still having problems with its massive liability account, both in the UK and overseas through reinsurance. It has again strengthened provisions on its UK account and has used the windfall release from the catastrophe reserve, Thames flooding and no longer set up to meet claims from needed now that the Thames barrier is operational, to strengthen its reinsurance provisions. Otherwise, the results are more or less as expected with severe competition on UK commercial business causing high losses. But the shadow of Allianz still hangs over the group and dividends get a further useful increase coming on top of last year's 45 per cent hike. The share prise rose 10p to 380p yielding 6.6 per cent.

M. J. H. Nightingale & Co. Ltd.

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1982-83 High	1982-83 Low	Company	Price	Change	Gross div. (p)	Yield %	P/E Actual	P/E Fully taxed
142	120	Ass. Brit. Ind. Ord.	137xd	—	6.4	4.7	8.0	10.5
158	117	Ass. Brit. Ind. CULS	153	—	10.0	6.5	—	—
74	57	Airsprung Group	63	—	6.1	9.7	7.2	12.4
46	33	Armitage & Rhodes	33	−1	4.3	13.0	3.7	6.5
307	187	Bardon Hill	307	—	11.4	3.7	12.9	16.2
135	100	CCL 11pc Conv. Pref.	134	−1	15.7	11.7	—	—
270	210	Cindico Group	210	—	17.6	8.4	—	—
86	52	Deborah Services	52	—	6.0	11.5	3.4	9.3
87½	77	Frank Horsell	87½	—	—	—	7.3	7.8
86	76½	Frank Horsell Pr Ord 87	86	—	8.7	10.1	9.8	10.2
83	61	Frederick Parker	63xd	—	7.1	11.3	3.9	6.3
55	34	George Blair	34	—	—	—	5.9	12.3
100	74	Ind. Precision Castings	81	—	7.3	9.0	10.4	13.1
158	100	Isis Conv. Pref.	157	−1	15.7	10.0	—	—
143	94	Jackson Group	143	—	7.5	5.2	4.4	9.1
198	111	James Burrough	198	—	9.6	4.8	14.5	16.1
260	150	Robert Jenkins	150	—	20.0	13.3	1.8	23.8
83	54	Scruttons "A"	72	—	5.7	7.9	9.4	11.3
167	112	Torday & Carlisle	113	−1	11.4	10.1	5.1	8.7
29	21	Unilock Holdings	26	—	0.46	1.8	—	—
85	66	Walter Alexander	66	—	6.4	9.7	4.7	6.8
264	214	W. S. Yeates	264	—	17.1	6.5	4.1	8.4

Prices now available on Prestel page 48146.

Public Works Loan Board rates

Effective March 23

Years	Quota loans repaid by EIP†	Quota loans repaid A‡	Quota loans repaid at maturity§	Non-quota loans A* repaid by EIP†	Non-quota loans A* repaid A‡	Non-quota loans A* repaid at maturity§
Up to 3	10¾	11	11⅜	12¼	12⅜	12⅝
Over 3, up to 4	11⅛	11¼	11½	12¼	12½	12⅝
Over 4, up to 5	11¼	11⅜	11½	12¼	12½	12⅝
Over 5, up to 6	11⅜	11½	11⅝	12⅜	12½	12⅝
Over 6, up to 7	11⅜	11½	11⅝	12⅜	12½	12⅜
Over 7, up to 8	11½	11½	11⅝	12½	12½	12⅜
Over 8, up to 9	11½	11⅝	11⅝	12½	12½	12⅜
Over 9, up to 10	11⅝	11⅝	11⅝	12½	12½	12⅜
Over 10, up to 15	11⅝	11⅝	11⅝	12⅛	12⅛	12¼
Over 15, up to 25	11½	11½	11⅝	12⅛	12	11⅞
Over 25	11½	11½	11½	11⅞	11⅞	11⅞

* Non-quota loans B are 1 per cent higher in each case than non-quota loans A. † Equal instalments of principal. ‡ Repayment by half-yearly annuity (fixed equal half-yearly payments to include principal and interest). § With half-yearly payments of interest only.

UK COMPANY NEWS

Overseas profits downturn forces BICC £3.3m lower

FACED with the burden of a £6.3m increase in finance charges and a £5.3m lower contribution by the international side in the second six months, the all-round operating improvement by other divisions of BICC proved insufficient to prevent 1982 pre-tax profits declining by £3.3m to £98.6m.

Earnings per 50p share fell by 16 per cent from 25.2p to 21.1p. Nevertheless, the net dividend total is being raised by 2 per cent from 10.37p to 10.54p with a final payment of 7.04p.

The fall in full year profits represents a contraction from £57.8m to £48.6m in the second half, for at midway an advance from £44.1m to £50m was reported. The directors said then that progress would not be easy, and they now state that as yet in 1983 there is no sign of any upturn in the group's manufacturing businesses at home or overseas.

	1982 £m	1981 £m
Sales	1,799.1	1,604.3
Balfour Beatty	587.4	493.8
BICC Cables	467.8	440.1
BICC Indl Prods	172.2	136.4
BICC Intnl	609.6	572.3
Internal trading	37.9	38.3
Operating profit	112.1	109.1
Balfour Beatty	14.1	10.7
BICC Cables	25.8	24.0
BICC Indl Prods	12.1	8.4
BICC Intnl	67.0	69.7
Expenses	*6.9	3.7
Finance charges	13.5	7.2
Profit before tax	98.6	101.9
Balfour Beatty	17.0	12.5
BICC Cables	16.8	18.2
BICC Indl Prods	7.6	5.1
BICC Intnl	64.1	69.8
Expenses	6.9	3.7

	1982 £m	1981 £m
Tax	44.1	41.9
Profit after tax	54.5	60.0
Minorities	14.4	18.0
Attributable†	40.1	42.0
Balfour Beatty	11.9	10.0
BICC Cables	12.1	13.4
BICC Indl Prods	5.4	4.2
BICC Intnl	21.5	21.4
Expenses	3.9	1.4
ACT written-off	6.8	5.5
Preference divs	0.1	0.1
Extraordinary debits	6.1	6.7
Attrib to Ordinary	34.0	35.3
Dividends	20.1	19.6
Retained	13.9	15.7

* Including stock valuation adjustment of £1.7m. † Before extraordinary items.

Capital expenditure during the year under review rose by 52 per cent to £68.5m. Higher finance charges reflected this and acquisitions which cost £23.1m in cash.

The balance sheet at the year end shows the group's financial position held steady with the debt: equity ratio little changed at 40.4 (39.9) per cent. Shareholders' funds improved from £281.3m to £305m but cash and short-term deposits fell slightly from £52.8m to £49.2m and bank overdrafts and short-term loans were up from £40.7m to £49m.

See Lex

Arthur Bell first half headway

THE pre-tax profit increase forecast for the six months to December 31 1982 by the directors of Arthur Bell & Sons at the last AGM turned out to be one of £2.69m to £17.56m. However, they now say that results for the remainder of the year will be similar to those for the corresponding period, due to losses at Canning Town Glass. Nevertheless, this division will be better equipped to return to profits in 1983/84.

(12.8p) and fully diluted at 12.93p (11.46p). To reduce disparity with the final the net interim dividend is being lifted from 1.7p to 2p and a three-for-five scrip issue is also proposed. Last year's total payment was 5.5p on profits of £27.58m.

Of the scotch whisky division, the directors report that Bell's share of the UK market is still in excess of 20 per cent. In 1983 the company will spend over £2m on advertising and promoting Bell's as the leading quality scotch whisky.

Basic earnings per 50p share at midterm are stated at 14.5p

Sales to Europe showed a significant rise in volume with particularly strong growth in France, Spain and Greece.

	Half-year 1982 £000	1981 £000
External turnover	149,633	146,574
Scotch whisky	137,100	133,900
Glass container	14,727	15,217
Transport	2,945	2,537
Intra group trading	5,139	5,080
Trading profit	19,552	17,741
Depreciation	1,645	1,317
Investment income	718	5
Interest	1,062	1,551
Profit before tax	17,563	14,878
Scotch whisky	17,447	14,554
Glass container	106	222
Transport	12	114
Intra group	2	12
Tax	7,447	5,950
Net profit	10,116	8,928

A higher number of cases were sold to international airlines while Brazil and South Africa were also markets to which an increased quantity was shipped in 1982.

The directors believe that in order for the company to make a significant impact in the U.S. it will be necessary to have a more direct presence. Various alternatives in connection with an acquisition in this market are being pursued.

It is pointed out that the first two months of each year are traditionally quiet from a trading point of view and 1983 has proved no exception. Home market sales volume is slightly down from 1982. However, it is expected that profits from the Scotch whisky division for the six months to June 6 1983 will be ahead of the £12.58m for the corresponding period last year.

Disruption of production arising from re-development will mean that a loss in the order of £1m will be incurred by the glass container division during the current six months and it is expected that the transport division will do no more than break even.

See Lex

R. Clay recovery continues

THE RECOVERY experienced by book printer and binder Richard Clay over the past 12 months enabled the group to return pre-tax profits of £971,000 for 1982, a swing of £1.93m from the loss of £954,000 reported the previous year.

Turnover expanded from £18.96m to £20.93m and at the trading level there was a surplus of £1.16m, compared with a deficit of £202,000 previously.

The directors say improved trading resulted from increased activity in the UK publishing industry and a strengthening of the group's position in international markets.

Although the results reflect solid improvements in the main areas of the group's business, they were struck after much lower exceptional debits of £116,000 (£787,000) which related to limited staff reduction at the Chaucer Press.

Stated earnings per 25p share for 1982 emerged at 5.08p (12.16p loss) pre-extraordinary items and an increased final dividend of 2p raises the net total by 2p to 3p.

Pre-tax profits at the six months stage totalled £279,000 (£662,000 loss). The group made profits of £1.9m in 1978.

● comment

Over the past year Richard Clay has slashed its workforce by 25 per cent, to a level of 900 (compared with 1,500 in 1979) and cut its losses after a 3½-year ill-fated entry into colour-printing. Large wage increases at Fakenham Press and a rising pound delivered UK publishers into the hands of Italian and Far Eastern colour printers. Now that both those economic trends have been reversed, 1983 should see significant profits growth to at least £1.6m and an ending of the haemorrhage in shareholders' funds which has continued for at least four years on a CCA basis. Net borrowings will soon be close to disappearing as the company concentrates on its specialities, the printing of thin-paper books and standard-length paperbacks — with the typesetting normally contracted out. But diversification is not ruled out, probably somewhere in the printing or distribution of books. The share price, up 8p yesterday to 78p, is only 8.9 times the prospective fully-taxed earnings, even though a 5.9 per cent stake held by Robert Maxwell's BPCC adds a speculative element.

Armstrong loss slightly lower

Pre-tax losses of Armstrong Equipment were slightly lower at £1.23m for the half year to December 31 1982 against £1.31m last time, while sales slipped from £54.35m to £51.93m.

However, this year, after suffering a much smaller loss in January than a year earlier, the group moved into profit in February.

An improvement in the automotive division—which made a loss of some £3m in each of the past two years—has been the major cause of the upward trend.

Despite the improved position in the third quarter, there is no interim dividend. Last year's interim was 0.35p net but no final was paid

At the trading level, there was a half-time profit of £750,000 (£718,000) but this was wiped out by interest payments of £1.98m (£2.03m). The tax charge was higher at £358,000 (£176,000) and extraordinary debits jumped from £0.61m to £1.92m.

County Bank up 24% to £10.2m

By Alan Friedman, Banking Correspondent

County Bank, the merchant banking arm of National Westminster Bank, lifted its 1982 pre-tax profits by 24 per cent to £10.2m.

The bank, which increased advances during the year from £496m to £600m, is understood to have increased its bad debt and other provisions by more than 40 per cent to between £3m and £4m for 1982. Most of these provisions were related to UK business, especially in the area of equity investments by County Bank.

Total assets at year-end stood at £1.3bn, up from £1bn at the end of 1981. Retained profits (following the payment of £4m of dividends) were £1m, which has been added to reserves.

The bank declined yesterday to break down its divisional contributions, but said that 50 per cent of its profits before tax were fee-related. In addition, it said its bond business enjoyed a record year and provided a pre-tax profit contribution of between £1m and £1.5m.

The bank also revealed that 35 per cent of its 1982 income had been in currencies other than sterling and this had provided about £300,000 of exchange gains in the £10.2m pre-tax total.

Total bank costs were up by 27 per cent and were about £7m in 1982. A large part of this was a 20 per cent increase in bank staff numbers, to 450 employees at year-end.

The total of all funds managed or advised increased during 1982 from £2.3bn to £2.8bn. About £100m of this rise came from the NatWest pension fund, which at year-end totalled £1bn of the £2.8bn under management.

The bank's issued capital was raised from £20m to £25m and total capital plus reserves now stand at £47.9m.

Yearlings total £21.6m

Yearling bonds totalling £21.6m at 10¼ per cent redeemable on March 28 1984 have been issued this week by the following local authorities.

Cherwell DC £0.5m; East Hampshire DC £0.5m; East Lothian DC £0.5m; Hackney (London Borough of) £1m; Middlesbrough (Borough of) £0.5m; Newcastle upon Tyne (City of) £2m; Rotherham (Metropolitan Borough of) £0.5m; Tweedale DC £0.25m; Wycombe DC £1m; Cleveland County Council £1m; Hambleton DC £0.25m; Lichfield DC £0.25m; Macclesfield DC £0.4m; Mansfield DC £0.3m; Newham (London Borough of) £0.5m; Ogwr Borough Council £0.15m; Reigate & Banstead (Borough of) £0.5m; Rochdale Metropolitan BC £1.5m; South Oxfordshire DC £0.5m; Glasgow (The City of DC) £2m; Lambeth (London Borough of) £1m; Stirling DC £0.5m; Hillingdon (London Borough of) £1m; Hounslow (London Borough of) £0.5m; Westminster (City of) £1m; Leeds (City of) £1m; Tunbridge Wells BC £0.25m; Wimborne DC £0.25m; Chester-le-Street DC £0.25m; Greenwich (London Borough of) £1.75m.

Windsor and Maidenhead (Royal Borough of) has issued £0.5m of 10¼ per cent bonds for redemption on March 20 1985.

Jones & Shipman

A dive into pre-tax losses of £1.08m against profits of £838,000 has been shown by Jones and Shipman for 1982. Turnover of this high precision machine tool maker moved down from £16.67m to £13.84m.

There has been no improvement in the level of order intake to date, say the directors.

After showing a loss per 25p share of 4.2p (earnings 5.8p) the net final dividend has been cut from 1.05p to 0.5p, making a total of 0.9p (1.8p).

Wellman to get capital injection

BY TERRY GARRETT

DRAGGED DOWN by its heavily loss-making U.S. business Wellman Engineering is undertaking an urgent capital injection to prevent it breaching borrowing ratios on loan agreements.

Mr Alan Hopkins has resigned as chairman to be replaced today by Dr Adolf Frankel, who made his mark in turning round Staveley Industries in the seventies.

Having come up from an eight-year low of 16p last month to 26p Wellman's share price fell back 3p to 23p yesterday.

Coming weeks after it announced a net loss of £1.4m for the six months to September 1982, Wellman is forecasting pre-tax losses for the full year ending this month of £3.1m. After tax and extraordinary items the attributable loss rises to £3.3m. There is a nominal 0.1p dividend. Last year the company made a £1m profit and paid dividends of 3.35p a share.

The main reason for the substantial loss is the prolonged recession in the U.S. capital market and the strike in August and September at the factory in Shelbyville, Indiana. The strike and other exceptional items, mainly rectification work on two U.S. furnace contracts, accounted for £2.2m of the losses.

Wellman bought the troublesome U.S. company, which is involved in coal gasification plant and heating element burners, during 1979 for £5.9m. That summer Wellman fought off a 70p a share bid worth over £8m from Redman Heenan International.

In the UK the company's activities have remained reasonably profitable despite the recession.

Because of the losses and substantial increase in borrowings Wellman has been forced to seek a capital injection. Without it debt as a percentage of shareholders' funds would have risen to 137 per cent by the year end breaching certain covenants on its U.S. loan agreements.

Kleinwort Benson has placed £2.5m of 10 per cent cumulative irredeemable convertible preference £1 shares with a number of City institutions at par. Existing shareholders will have the right to subscribe for the new shares on the basis of one for every five ordinary shares. The number of shares placed with the institutions will be reduced in line with applications for the rights.

After the issue the company is predicting that its borrowing will drop to 67 per cent of shareholders' funds and on that basis the banks will not foreclose on their loans but continue to provide necessary facilities

According to Kleinwort Benson it would have been very difficult to raise the money but for the management shake-up. Mr Hopkins will receive a compensation payment of £68,000 and his pension arrangements will get a £40,000 boost.

Dr Frankel, who is presently chairman of Staveley and a non-executive director of Molins, was approached by Kleinwort about four weeks ago. He said yesterday that he would spend the first six to 12 weeks at his new post weighing up the company and talking to its management. "I don't believe in shooting from the hip unless there is a tiger jumping at me," he added.

His first action will be to visit the U.S. operation which is in "a devil of a mess though basically the buy was right. I will be pursuing present board policies though hopefully a lot more vigorously."

Dr Frankel's salary will be £47,000 a year. According to the latest published report Mr Hopkins received just over £19,000 in the year to March 1982.

Looking to the future the company says that the loss for the current year "is not considered indicative of the group's prospects." When the group acquired its U.S. subsidiary "it inherited a legacy of weak management."

The prolonged strike last year was the result of the company's attempts to introduce a cut in wages followed by an 18 month freeze. The savings in future labour costs following the settlement will more than offset the costs of the strike Wellman claims.

At present there are no signs of any significant upturn in the company's main trading markets and the year to March 1984 will remain difficult, particularly in the first half when Wellman will still be carrying £0.4m of costs relating to last autumn's strike.

Conversion terms of the new stock are four ordinary shares for every £1 of convertible preference. Assuming full conversion holders could end up with 43.2 per cent of the enlarged capital.

UK COMPANY NEWS

Charterhouse Petroleum holds profits steady at £10.2m

DESPITE doubling the provision for exploration at **Charterhouse Petroleum** from £1.02m to £2.18m pre-tax profits for 1982 have been almost maintained at £10.24m against £10.41m previously.

Due mainly to increases in production levels and crude oil prices, which have risen in sterling terms despite the fall in dollar prices, turnover increased from £17.17m to £20.55m.

Throughout 1983 the directors expect the dollar oil price to remain weak. However the oil industry downturn has helped the company—drilling costs have been significantly reduced and there is more attractive exploration acreage available on reasonable terms.

Tax changes in the last Budget also appear to be beneficial and increase the possibility of discoveries of hydrocarbons in the UK proving commercial.

The net final dividend is being held at 0.5p which maintains the total at 0.75p—the directors consider it important to conserve cash resources for exploration and *production*. Cash resources at the year end stood at £31.2m

Earnings per 25p share are given as rising from 3.1p to 4.06p. Shares are 19.51 per cent held by the Charterhouse Group.

Profits from oil production before duty came to £12.1m against £10.66m, but were subject to supplementary petroleum duty of £3.39m (£2.83m) and exploration amortisation of £2.18m (£1.02m). Disposal of an investment this time cost £218,000, associate losses rose from £92,000 to £205,000, and interest costs came down from £774,000 to £581,000.

Trading profits emerged lower at £5.52m (£5.95m).

Attributable profits emerged ahead from £2.49m to £3.25m after petroleum revenue tax of £3.62m (£4.01m) and corporation tax of £3.37m (£3.91m).

During 1983 the company *intends to drill 14 wells—eight* in the North Sea, three in south-east England, one in the Celtic Sea and two in Abu Dhabi.

The exploration programme was particularly successful in 1982—acreage was increased 10-fold to about 1.8m net acres. The drilling success rate continued, with four out of five exploration prospects drilled during the year resulting in further oil or gas discoveries.

● comment

Charterhouse Petroleum has been singled out as one of the medium-sized oil companies likely to benefit most from the tax break provided by the Chancellor to exploration companies which are also producers. With cash resources sitting comfortably at £31.2m, Charterhouse might become more aggressively acquisitive, but it also seems likely to remain selective about expansion. Although total net acreage increased ten-fold to 1.8m acres last year, the group *has not taken all it has been* offered and has steered clear of North America. The move to less high-taxed exploration areas is reflected in last year's significantly lower tax charge. And intelligent recognition of the economics of taxation has also played a deciding role in shaping the development strategy of the existing fields. With this in *mind, the confirmed discovery in* North Sea Block 20/2 may in future replace the Thistle field as the primary oil production source. Because of the focus on exploration, the quality of the assets is not yet reflected in the share price, which remained steady at 83p on yesterday's announcement for a yield of 1.3 per cent.

Britannia Arrow ahead to £6m

A NEAR £2m rise in 1982 pre-tax profits, an increased dividend and a proposed acquisition in the U.S. are announced by **Britannia Arrow Holdings**, the finance, property, publishing and distribution group.

With the year's turnover more than doubled at £258.35m (£127.33m) taxable profits increased from £4.17m to £6.03m, after a £0.27m rise to £2.28m at mid-term.

However, *including* tax of £1.2m (£0.76m) and much reduced extraordinary credits of £1.24m (£5.43m) — reflecting lower profits on sales of investments—net *profits* were down £2.77m at £6.07m.

With stated earnings per 25p share, before extraordinary items, up *from* 4p to 4.5p, the *dividend is being raised* by 0.2p to 1.7p net with a final of 0.9p (0.8p).

The company has reached agreement in principle to acquire *Gardner* and *Preston*, Moss Inc (GPM), an investment management group in Boston, Massachusetts, managing funds in excess of $1.6bn of which pension funds amount to over $800m.

It is proposed that the consideration will be wholly in cash spread over a number of years and will be based on profit and revenue objectives. On finalisa*tion of the agreement*, GPM will continue to be managed in Boston by its existing management team.

The acquisition will mark an important step towards Britannia's objective of expansion into the U.S. investment management business. Total funds managed by Britannia Group companies in the *U.S. will* be in excess of $2.6bn when funds under GPM management are added to the $1bn already managed by Denver based *Financial Programs*.

On completion, total funds managed by Britannia Group will rise to $2.3bn on behalf of over 350,000 investors worldwide.

Fund management profits in 1982 increased from £2.23m to £3.33m, while investment income, less interest payable, rose to *£3.07m (£2.18m). However both* property and publishing and distribution profits were lower, at £105,000 (£145,000) and £233,000 (£351,000) respectively.

Sales of unitised products and trading profits of the fund management division are at record levels to date for 1983.

Further acquisitions are envisaged to expand this division, particularly in the U.S.

● comment

Britannia Arrow's 43 per cent increase in pre-tax profits owes much to a dramatic turnaround in unit trusts in the second half. Fund management profits were down 44.5 per cent at the interim, but surged forward to clock in a 50 per cent increase year on year. A bullish stock market helped, but so did declining interest rates, which encouraged savers to pull out of building societies in search of higher yields. FPI's first contributions amounted to about £300,000 pre-tax, and are not expected to rise significantly in the current year because the subsidiary is launching a costly marketing drive. The proposed acquisition of GPM in Boston is to complement Britannia's concentration on mutual funds in the U.S. with an institutional fund management subsidiary. Gilts bought with some of the proceeds from the liquidation of the General and Commercial portfolio account for a substan*tial part of the £8.8m unrealised* appreciation on investments — a figure which has now doubled. Fund management progts are at record levels in the current year *and pre-tax profits of up to £7.5m* look possible. The share price rose 2.5p to 57.5p, an eight-year high, on a p/e of 19.5.

Slough Estates expands 20%

AN INCREASE of 20 per cent in pre-tax profits has been shown by **Slough Estates** for 1982, with the figure moving up from £13.47m to £16.17m. As expected, the net dividend for the year has been effectively increased by 25 per cent.

Dmand *for* industrial and commercial premises, however has been weaker, and this is reflected in a revaluation deficit of £12m in an investment property valuation made on September 30 1982. The gross book value at December 31 1982 amounts to £498m compared with £479m

The property revaluation also reflected reduced rental growth and an upward movement in investment yields in most countries in which the group operates.

In UK industrial estates it is reckoned that average estimated rental rates have increased by 9.6 per cent and that at the date of the valuation the estimated exceeded the existing annual rental income by 27 per cent.

Net assets per share at December 31 1982 amount to 190p compared with 195p or 175p fully diluted (same).

Earnings per share were shown to have risen from an adjusted 6.67p to 7.02p, or from 6.12p to 6.52p fully diluted. The final net dividend has been effectively raised from 1.88p to 2.08p and the total from 2.86p to 3.33p.

UK rental income for the year increased from £21.73m to £25.1m. Overseas rental income was up from £8.25m to £11.28m. The utilities division loss increased to £2.78m (£2.12m)

Since the rate of recovery may vary *from country to country*, it remains difficult to predict accurately the outcome for 1983. However, Mr Mobbs is confident that he will be reporting a *further* advance in *profits* for the year.

Tax amounted to £3.29m (£1.45m) and after minorities of £224,000 (£166,000) available profits emerged at £12.71m compared with £11.85m.

Interest and other charges on projects under construction in the UK have been capitalised at £1.13m (£1.66m). Similar expenditure overseas, amounting to £2.49m (£1.28m) has also been capitalised.

● comment

The £12m across-the-board revaluation deficit in the book value of Slough Estates' high-quality portfolio indicates that the company has not entirely escaped the slump in the industrial property market. But the deficit is hardly material against the total value of the portfolio of £498m. A more positive indicator of performance is the 1.8 per cent advance in Slough's UK rentals, compared with an average of 1.1 per cent for industrial property. Overseas rental income, up by 36 per cent, was boosted by nine months' income from the Brussels block, which had been vacant for the previous five years. Prospects for a turnaround in the utilities division are again uncertain because of the current effective freeze on electricity prices. Depreciation and interest charges pushed utilities deeper into the red last year, despite some improvement at the operating level. At 106p, the shares were a penny up on yesterday's trading for a yield of 4.6 per cent. The price represents a 39.4 per cent discount to fully diluted net assets.

BOARD MEETINGS

The following companies have notified dates of board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available as to whether the dividends are interims or finals and the sub-divisions shown below are based mainly on last year's timetable.

TODAY

Interims: Rowden Group, Maynards, Minerals Oils and Resources Shares Fund, Prestaic, Supe Holdings, James Walker Goldsmith and Silversmith.

Finals: BBA, Benro Industries, Bentruse, Black and Edgington, Friedland Doggart, Garton Engineering, Hepworth Ceramic, Samuel Mathews, Mutual Closures, Noble and Lund, Pritchard Services, Squirrel Horn, Tecentrol.

FUTURE DATES

Interims—	
Mertonair International	Apr. 14
Newman-Tonks	Mar. 28
Finals—	
Estates and General Investments	Mar. 29
Legal and General	Mar. 30
Spirax-Sarco Engineering	Mar. 30
Vosper	Mar. 29

Mr Johnstone still waits for Charles Hill chair

BY DAVID DODWELL

MR ALEXANDER JOHNSTONE — on again, off again chairman of Charles Hill of Bristol — will have to wait a little longer before taking up office following a procedural blunder in calling together an extraordinary general meeting.

Mr Johnstone was due to be appointed chairman and chief executive of loss-maker Charles Hill, a ship repairing and engineering group, following the company's merger with Kennedy Smale last November.

But following "differences which have emerged" on the board, Mr Johnstone announced early last month that he would not be taking up the appointment. This was reversed three weeks later, with Mr Johnstone saying differences had been resolved.

Confirmation of Mr Johnstone's appointment was expected at an EGM called for March 30. The meeting was necessary because Mr Johnstone is over 70 years old.

However, Mr Dennis Barkway, *the stand-in chairman, has this* week informed shareholders that the EGM has had to be postponed.

It appears that registrars responsible for contacting shareholders had used an old shareholder register. Former Kennedy Smale shareholders, who now account for 53 per cent of Charles Hill's shareholders in the newly-merged company, were not on the list.

Kennedy Smale is a West Midlands electro-mechanical, telecommunications, knitted glove manufacturer and property concern.

Mr Johnstone chose to make *no comment* yesterday on the blunder. Mr Barkway, conceding that the company seemed blighted in its efforts to bring Mr Johnstone onto the board, said: "When I heard of the mistake, I felt it was like getting a bridge hand with no trumps in it for two rounds in succession — I was convinced someone was fixing the pack."

Provided no further hitches arise, the EGM will be held in Bristol on April 14.

Silkolene earns more and lifts payout

Despite a fall from £643,000 to £471,000 in the second half, the first six months of 1982 gave Silkolene Lubricants enough impetus to finish the year with pre-tax profits up from £954,000 to £1.15m.

In addition, against a forecast of an at least maintained dividend total, the payment is being raised from 6p to 7p with a 5p net final.

Turnover for the 12 months advanced from £14m to £15.43m and profits were struck before exceptional redundancy costs of £149,000. *They were also subject* to tax of £286,000 (£317,000). The attributable balance rose from £626,000 to £719,000 and earnings per 25p share are shown at 17.2p (15.1p).

UK COMPANY NEWS

United Newspapers well ahead at £5.4m

WITH SECOND-HALF profits more than doubled at £2.08m, against £0.86m last time, United Newspapers ended 1982 with taxable figures well ahead at £5.44m, compared with £3.64m previously which was after exceptional depreciation of £0.4m.

Turnover of the group—whose interests include newspaper and periodical publishing, general printing, newsagents and stationery sales — showed an improvement from £86.52m to £97.55m.

The year's profits included post-acquisition results of those companies acquired during the period, in particular the Colonial Securities Trust and the New York-based PR Newswire Association — this company is producing profits well up to expectations.

As a result of rationalisation and expansion in 1982, a sound base has been established for the future, the directors state. The group is well placed to meet an economic recovery and they look forward to 1983 and the following years with increasing confidence.

Because of greater efficiencies and the elimination of loss-making businesses, the directors intend to continue to strengthen and expand the group's activities.

The directors explain that in view of the need to achieve a more efficient and economical way of producing the group's newspapers, they have decided to include in the accounts an extraordinary charge of £2.44m, after tax, to cover the costs of proposed or completed reorganisations and closures in 1982 and 1983.

These will, however, mean that the total number of staff employed will be reduced.

Last year there was an extraordinary debit of £57,000. With the tax charge reduced at £0.83m (£1.39m) the attributable surplus was little changed at £2.17m, compared with £2.19m.

Stated earnings per 25p share — on a weighted average basis — climbed from 14.8p to 21.7p, while the dividend is maintained at 12p net on increased capital with a final of 7.5p (same).

Poor second half leaves DRG profits £3m adrift

SECOND-HALF profits at DRG fell sharply, leaving the full year outcome for 1982 at a level inadequate to support the level of dividend paid by this specialist engineer and packaging and stationery manufacturer in the previous 12 months. However, given healthier indicators as to the future, the total distribution is being held at 6p net with a final payment of 3p.

Following an improvement from £3.9m to £5.4m at halfway, a £4.5m decline in the second six months left taxable profits for the year under review some £3m lower at £12.5m. The culprits for this slide were the overseas side of the group's business, which suffered a fall from £15.8m to £11.6m at the trading level—more than offsetting an advance from £9m to £12.3m within the UK—and higher interest of £12.1m against £9.9m.

Profits included a little changed £0.7m (£0.6m) share of associates and were subject to tax of £6.4m (£6.9m). They were struck on higher turnover of £609.2m (£567.4m) with sales to customers accounting for £579.6m (£534.9m).

Minorities amounted to £1.1m (£2.6m) while extraordinary debits this time took £4.9m (£3.4m) being reorganisation costs of £5.8m (£5.6m) and a surplus on certain properties stated at net realisable value of nil (£1.8m), less tax relief of £0.9m (£0.4m).

Before such items, earnings per 25p share are shown to have fallen from 7.2p to 6p.

The directors report that most overseas businesses still operate in an environment of high inflation and interest rates and while this persists the going will be tough.

Nevertheless, in the UK inflation and interest rates have been lowered, wage demands are moderating, energy costs have stabilised and sterling is more competitive.

Given an upturn in demand, they say, the benefits from productivity improvements will continue to flow through to the bottom line.

Cash outflow for year was contained to £4.5m, described by the directors as a creditable performance, taking account of the £9m spent on acquisitions, mainly a medical packaging company in the U.S.

They say a particularly pleasing feature of the year was the increase in direct exports from the UK which totalled £45m.

● comment

The slump in DRG's profitability overseas was anticipated, as many of the partly-owned subsidiaries had already reported. But the market was disappointed by the 37 per cent rise in UK trading profits after extensive switching of resources between divisions, and the share price fell 3p to 99p. The growth area is the trading division, which distributes photo-copiers, micro-computers and other office equipment. With 60 outlets around the country, it now employs nearly 1,300 people compared with 750 in 1979. By contrast, envelope-users have settled for lower quality in this recession, squeezing DRG's margins. The surgery in the stationery and packaging divisions is now drawing to an end, after factory closures. The number of paper machines is down from 15 to three—all now profitable. The differing fortunes of the overseas and domestic packaging divisions are likely to continue through 1983. The UK market should be boosted by the falling pound and some re-stocking by manufacturers. Overseas, the recession is biting deeper, but the sale of Southern African stationery and packaging subsidiaries should reduce interest costs by £3m. Despite the post-tax loss on an inflation-adjusted basis, even before extraordinary items, the dividend is being maintained doggedly for a 8.9 per cent yield.

Bestobell slows in second half

SECOND-HALF pre-tax profits at Bestobell were down from £4.13m to £3.94m, but figures for 1982 as a whole improved from £8.47m to £8.71m.

Mr A. B. "Sandy" Marshall, chairman of this holding company with interests in controls, energy engineering, aviation and consumer products, says the year's performance demonstrates a considerable degree of resilience and effective reaction to conditions which deteriorated, particularly on the aviation side of its business, "very rapidly indeed."

He emphasises the serious impact which resulted from the virtual collapse of the airframe and aero-engine industry in 1982, but he points out that other business areas covered by Bestobell more than offset the fall in profit by the aviation and sales business group.

Group turnover for the year advanced from £122.36m to £130.31m. Interest charges rose from £1.26m to £1.62m, and tax was higher at £4.37m against £3.83m.

The final dividend is raised from 7.6p to 7.8p net, for a total up from 13p to 13.5p. Stated earnings per 25p share were down from 28.1p to 24.9p on a net basis, and from 30.7p to 29.7p on a nil basis.

● comment

A dramatic deterioration in Bestobell's aviation markets was the major factor in another lacklustre year. Trading profits in the aviation and seals division slumped 53 per cent—against a 6 per cent trading increase for the group as a whole—because several important orders from airlines were deferred in the second half. This lumbered the company with unusually high stock levels and contributed to a surge in borrowings from £205,000 to £13.3m. Borrowings were, however, deceptively low in 1981 following a rights issue and £6m has been spent on acquisitions in 1982. Growth was particularly aided by a 31 per cent trading profit increase in Australia and New Zealand thanks to an improvement in technical standards of the company's insulation products. Growth in the U.S. was almost entirely on the back of 10 months contributions from the newly acquired Armtec subsidiary. Unless the aviation market gets off the ground again, analysts expect no more than £9.5m pre-tax in the current year. At 390p the shares are on a p/e of 14.7.

Bank Hapoalim B.M.

CONDENSED CONSOLIDATED BALANCE SHEET AS AT DECEMBER 31, 1982
(U.S. Dollars in thousands)

ASSETS	
Cash and Due from Banks	4,181,459
Securities, including Government Bonds	870,051
Deposits and Loans to the Government	6,600,632
Loans and Bills Discounted	5,888,982
Loans from Deposits for Loan Purposes	2,890,497
Other Accounts	91,533
Bank Premises and Equipment	71,186
Customers' Liabilities	1,668,214
	22,262,554
LIABILITIES	
Capital, Reserves and Surplus	392,845
Capital Notes	882
	393,727
Outside Shareholders' Interests	47,849
Convertible Debentures Issued by Subsidiaries	615
Non-Convertible Bonds and Notes	311,112
Deposits	11,357,696
Deposits for Loan Purposes	3,501,730
Debentures Issued by Subsidiaries	4,921,809
Other Accounts	59,802
Liabilities on Account of Customers	1,668,214
	22,262,554

CONDENSED CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED DECEMBER 31, 1982
(U.S. Dollars in thousands)

Net Operating Income Before Taxes	210,966
Provision for Taxes	54,242
Net Operating Income After Taxes	156,724
Outside Shareholders' Interest in the Net Income of Subsidiary Companies	18,880
	137,844
Net Extraordinary Income after Taxes	301
Net Income	138,145
Earnings per Share (Fully Diluted)	258%

The entire report is available in all Bank Hapoalim branches.

The financial statements of the bank are stated in Shekels. This statement has been converted from Shekels into U.S. Dollars at the official exchange rate prevailing on December 31, 1982. I.S. 33.65 = 1 U.S. Dollar.

Bank Hapoalim B.M.

Head Office: 50 Rothschild Boulevard, Tel Aviv, Israel. Tel: 628111.

338 Branches of the Bank Hapoalim Group in Israel. Branches, Subsidiaries, Offices and Affiliates also in New York, Los Angeles, Boston, Chicago, Philadelphia, Miami, London, Manchester, Zürich, Luxembourg, Cayman Islands, Paris, Toronto, Montreal, Buenos Aires, São Paulo, Caracas, Montevideo, Punta del Este, Uruguay, Panama City and Mexico City.

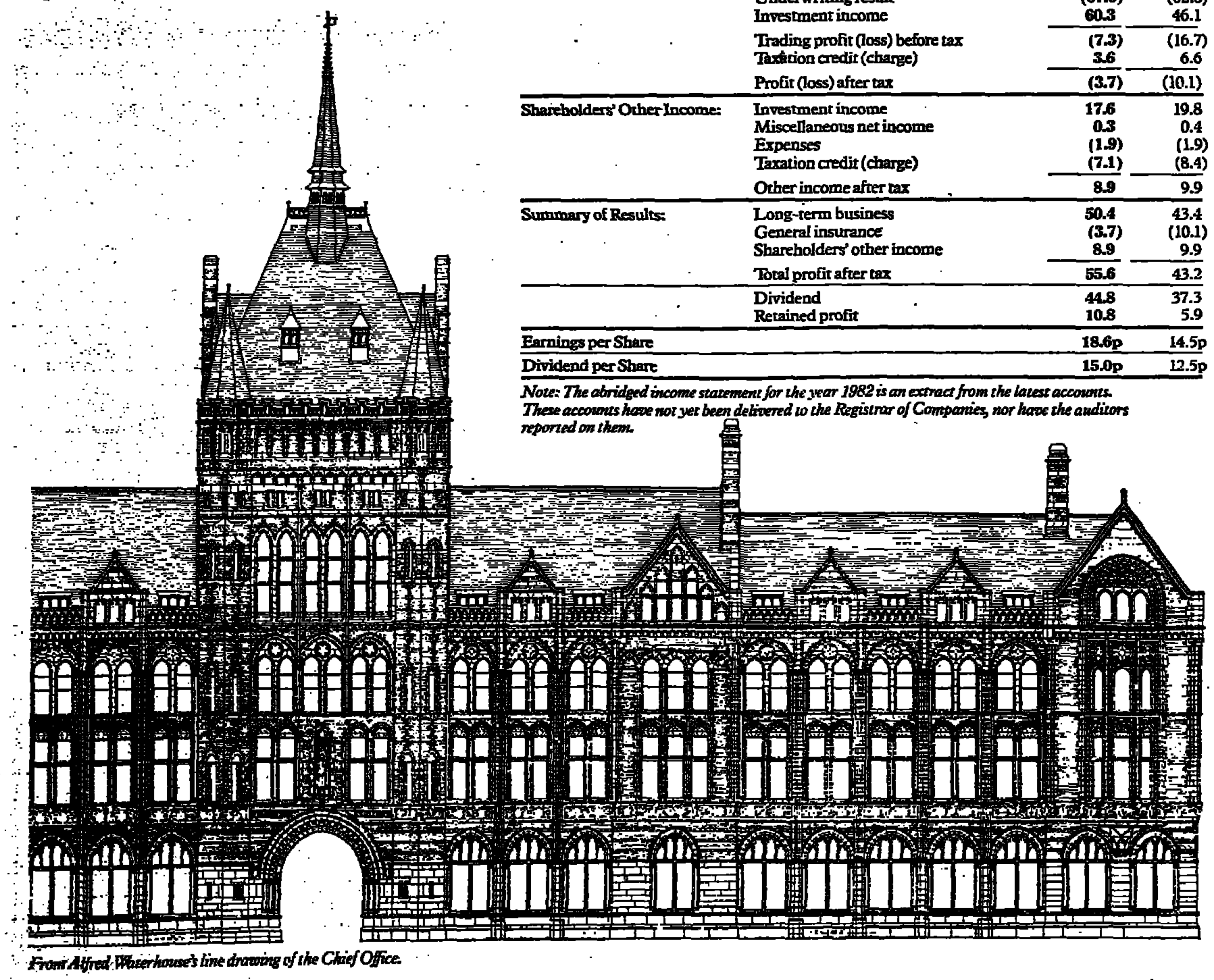
Prudential Corporation

Unaudited Group Results 1982

Group profits of the Prudential Corporation rose by over a quarter in 1982 to £55.6m after tax. This follows continued growth in the Group's life assurance and other long-term business coupled with a recovery in the trading performance of its general insurance operations, both in the UK and overseas.
The directors have declared a final dividend of 10.0p per share, which together with the interim payment of 5.0p makes a total of 15.0p per share for the year, an increase of 20%.
The investment performance of the Group's life funds has enabled record bonuses to be paid to with-profit policyholders again this year and a significant increase in the value of shareholders' funds places the Corporation in a position of considerable financial strength.

		1982 £m	1981 £m
Long-Term Business:	Premium income	1,380.1	1,232.6
	Surplus attributable to policyholders	587.5	508.7
	Surplus attributable to shareholders	50.4	43.4
General Insurance:	Premiums written	606.5	523.7
	Underwriting result	(67.6)	(62.8)
	Investment income	60.3	46.1
	Trading profit (loss) before tax	(7.3)	(16.7)
	Taxation credit (charge)	3.6	6.6
	Profit (loss) after tax	(3.7)	(10.1)
Shareholders' Other Income:	Investment income	17.6	19.8
	Miscellaneous net income	0.3	0.4
	Expenses	(1.9)	(1.9)
	Taxation credit (charge)	(7.1)	(8.4)
	Other income after tax	8.9	9.9
Summary of Results:	Long-term business	50.4	43.4
	General insurance	(3.7)	(10.1)
	Shareholders' other income	8.9	9.9
	Total profit after tax	55.6	43.2
	Dividend	44.8	37.3
	Retained profit	10.8	5.9
Earnings per Share		18.6p	14.5p
Dividend per Share		15.0p	12.5p

Note: The abridged income statement for the year 1982 is an extract from the latest accounts. These accounts have not yet been delivered to the Registrar of Companies, nor have the auditors reported on them.



From Alfred Waterhouse's line drawing of the Chief Office.

Long-Term Business

Profit after tax from life assurance and long-term accident and disability business was 16% higher at £50.4m. Premium income increased by 12% to £1,380m. All major sections of our business contributed to the growth in premium income except for UK group pensions business, which reflected the effect of the recession on employment.

Higher Bonuses. The total value of bonuses to with-profits policyholders of Prudential Assurance has been increased to £587m (£508m in 1981). This increase derives from achieved investment performance and has therefore been largely related to the period for which policies have been in force, by way of higher terminal bonuses and, in the UK, by a further declaration of additional reversionary bonuses.

General Insurance Business

There was a significant recovery in general insurance trading results. The major contributions came from substantial improvements in the second half of the year in the UK and Canada.
Total premiums written increased by 16% in sterling terms, an underlying growth rate of 13%.

	Premiums written 1982 £m	Premiums written 1981 £m	Underwriting result 1982 £m	Underwriting result 1981 £m	Investment income 1982 £m	Investment income 1981 £m	Trading profit (loss) 1982 £m	Trading profit (loss) 1981 £m
United Kingdom	216.5	195.0	(20.0)	(13.6)	20.5	15.0	0.5	1.4
Canada	83.5	62.5	2.6	(9.7)	6.8	4.4	9.4	(5.3)
EEC	42.2	36.9	(6.1)	(4.7)	5.2	3.8	(0.9)	(0.9)
Other Countries	45.7	43.1	(9.2)	(10.0)	4.6	3.8	(4.6)	(6.2)
Marine and Aviation	14.9	11.8	(3.0)	(1.0)	2.8	2.0	(0.2)	1.0
Specialist Reinsurance	203.7	174.4	(31.9)	(23.8)	20.4	17.1	(11.5)	(6.7)
	606.5	523.7	(67.6)	(62.8)	60.3	46.1	(7.3)	(16.7)

In the United Kingdom we produced a trading profit of £0.5m, despite the extreme weather conditions in the early part of the year, which are estimated to have given rise to additional claims of £7.8m. In order to strengthen our position in the motor market we have altered our rating structure for private motor business from 1 February 1983, so that most policyholders will be paying lower premiums.

In Canada action taken to improve our underwriting result, together with a welcome reduction in claims frequency in the motor account, contributed to the good trading profit of £9.4m.

Specialist Reinsurance. In the highly competitive world reinsurance market, Mercantile & General's underwriting losses continued to be high and substantial strengthening of technical reserves was necessary. During the recent cycle of treaty renewals for 1983 our approach to underwriting was even more selective, and some business was declined because the terms offered were unsatisfactory. We were, however, able to renew a substantial amount on terms we consider to be acceptable.

Outlook. Competition for general insurance business remains intense throughout the world, putting pressure on premium rates and making it difficult to achieve satisfactory profits. There are some signs that the losses sustained by companies are leading to a more realistic approach to writing business but it seems likely that the industry's return to an acceptable level of profitability will be slow and uneven.

Investment Income

Investment income on general insurance and shareholders' funds combined increased by 18% from £65.9m to £77.9m. At constant exchange rates the growth would have been 15%.

Capital Resources

Increases in the market values of the investments held in the general insurance and shareholders' funds added almost £100m to the capital resources of the Group, which after including retained profits amounted to £368m. This is equivalent to 59% of the general insurance premium income of the Group (49% in 1981) and represents a position of considerable financial strength.

Copies of the Report and Accounts will be available on 25th April 1983.

Prudential Corporation plc, 142 Holborn Bars, London EC1N 2NH.

MINING NEWS UK COMPANY NEWS

Newmont hopes for better things to come

BY GEORGE MILLING-STANLEY

THE RECENT trend towards *lower interest rates in the U.S.* and signs of a revival in the housing, construction and motor industries all encourage **Newmont Mining Corporation** to hope for better things in 1983.

The U.S. company, in which London's **Consolidated Gold Fields** holds a stake of around 25 per cent, made net profits last year of *U.S.$48.6m* (£32.4m), thanks largely to its interests in precious metals and energy.

Late last year, Newmont paid $75m for the copper operations of **Cities Service Company** in Miami, Arizona. This purchase gave Newmont a large, low-cost open-pit reserve with an annual production of about 70,000 tons of copper.

In addition, Newmont completed the acquisition for $31.7m of **Adobe Holland**, with which it had joint interests in oil and gas exploration in the Dutch sector of the North Sea.

Newmont has not, however, forgotten the important con*tribution which gold makes to* its profits. **Carlin Gold Mining** in Nevada and the 70 per cent-owned **Telfer** *operation* in Western Australia contributed a total of $29m to profits last year, and both are expected to do better in the current 12 months with the higher gold price.

Carlin is continuing testing at *its Gold Quarry deposit, also in* Nevada. Preliminary estimates put gold reserves at around 8m oz of gold.

Newmont is also involved in the fast-rising Eastern Goldfields region of Western Australia.

The company's prospect in the area, held in joint venture with the London-registered **Hampton Gold Mining Areas**, has advanced to the stage of detailed drilling to determine the potential for a *large open-pit operation.*

Overall, Newmont is looking for an improvement in profits in the current year, partly as a result of steps taken last year to reduce costs.

The company's dividend policy is likely to be on the conservative side until the economic recovery in the U.S. gathers pace.

The share price has benefited recently from Gold Field's purchases, *but the London group* has agreed to limit its stake to around 26 per cent until the end *of next year.*

Thereafter, however, there could be some excitement, *especially if Gold Fields decides* to move towards the 49 per cent level, as it has done with **Renison Goldfields Consolidated** in Australia and **Gold Fields of South Africa.**

Round-up

Three Japanese copper refiners, which include **Mitsubishi Metal**, have tied up a renewable two-year contract to take 70,000 tonnes of copper concentrates a year *from* Canada's **Cominco.** The two other firms are **Dowa Mining** and **Sumitomo Metal Mining.**

* * *

Canada's **Giant Yellowknife Mines** *plans to start production* in August at its small, but high grade, Salmita gold property, 150 miles north-east of Yellowknife in Canada's Northwest Territories. Salmita has been held for a number of years and is all set to go to production.

Giant has already spent close *to C$7.9m (£4.4m) on the pro*perty, including purchase of the milling plant and other facilities of the old Tundra gold mine a few miles away. The additional cost to the production stage is put at C$13.9m and further exploration of the area is to be carried out.

* * *

Cominco is again seeking to raise capital. This time it is *looking for about C$100m (£55m)* which suggests an offering of about 2m common shares. It is *likely to be made by a group of* investment dealers headed by Wood Gundy, Dominion Securities, Ames, and McCleod Young Weir. **Canadian Pacific Enterprises** will buy sufficient shares to maintain its holding of 54 per cent of the Cominco equity.

It is reported from Peking that *the U.S.* ***Bechtel International*** Services has taken a contract to carry out a feasibility study for a *Chinese open-pit coal mine* with a production potential of 25m tonnes a year. The study will also cover an 800 km coal slurry pipeline from the Jungar coalfield in north China's inner Mongolia region.

Anderson Strathclyde dividend withdrawn

By Ray Maughan

Anderson Strathclyde has been *forced to* withdraw payment of the second interim dividend of 6p net per share which the Glasgow-based coal cutting equipment group declared in its formal defence of the £95m cash bid from Charter Consoli*dated.*

Anderson had been requested not to pay the dividend by the Takeover Panel which has drawn the group's attention to the ruling on special dividend which might serve to frustrate takeover bids.

The Panel *explained* that a bidder is offering a price which includes the dividend whereas a special payment would be taken out of the target company before it is acquired.

A recent Stock Exchange notice declaring Anderson's shares *ex-dividend from* March 21 in respect of the proposed distribution is automatically cancelled in accordance with Stock Exchange rules.

Anderson said confidently yesterday that it plans to consider immediately the declaration of the *dividend*, which had been due on April 8, "when the offer by Charter Consolidated lapses."

The bid reaches its first closing date today and Anderson's shares closed 2p off last night at 196p where they stand at a 4p per share discount to the terms of Charter's cash bid.

Acceptances are understood to have been very thin so far, although major shareholders usually make their decisions at the last possible moment. The offer can be substantially extended from today and it is likely that the institutions will wait for any further developments.

W.W. TRADEMARK SALE

W.W. Group, a Pudsey, Yorkshire distributor of textiles and carpets, has sold a trademark for £400,000 cash. The balance sheet value of the mark was nil and the proceeds will be used to reduce bank borrowings.

W.W., formerly known as Wilkinson Warburton, said it *could not disclose the mark or* the buyer under the sale agreement. "It was a trade mark we have used over the years but less in recent times," said Mr T. W. Sullivan, company secretary. "We just did a good deal."

Injection gives Lomaslight 50.3% of Sheffield Brick

BY CHARLES BATCHELOR

Sheffield Brick, the loss-making manufacturer of architectural ironmongery, is to receive a capital injection of £279,000 under a deal which will leave 50.3 per cent of its enlarged equity in the hands of a new company, *Lomaslight.*

Its shares rose 11p to 36p yesterday.

Sheffield will issue 2.4m shares to Lomaslight with a par value of only 10p but carrying the same dividend entitlement as its existing 25p shares.

The new shares, which will be issued in this form because shares may not be issued at a discount, will be treated differently only in the event of a *winding up, the company said.*

Sheffield will also make a one-for-five rights issue of new 10p shares underwritten by its advisers County Bank.

Lomaslight is a company which is owned by a group of investors led by Mr John Wheeler, chairman and manag*ing director of Benson Heating,* which makes industrial and space heaters at Knighton, Powys.

Mr Wheeler, who led a management buy-out of Benson from the publicly-quoted Woiseley-Hughes group of which he was a director, early last year, will replace Mr Charles Buck as *chairman at Sheffield. Mr Buck* will remain as a non-executive director while Mr Neville Dear*don will remain managing* director.

Lomaslight will not be required by the Panel on Takeovers and Mergers to make an offer for the rest of Sheffield *nor will any further increases in* its shareholding trigger an obligation to make a full bid.

Sheffield, which makes security products and alarm systems as well as having a small computer operation, has made losses in the past two years which put a considerable strain on liquidity. The company has had to rely heavily on the support of its bankers in recent months, it said.

It made a pre-tax loss of £68,000 on turnover of £2.74m in the first half of 1982. Mr Dear*don forecast a return to profit in* 1983.

Rivlin shares to resume trading

OWNERS of **I. D. & S. Rivlin** will soon be able to trade in the shares of their company after nearly five years *in the wilder*ness of a share dealing suspension.

The company is now applying *for a place on the unlisted* securities market. Rivlin's shares were suspended in June 1978 *when the receiver moved into its* northern retailing company, Sachs & Sherman. At the time borrowings were unacceptably high and the company was losing money.

Under the fresh direction of Mr Alfred Vogel as chairman the company has gone through a programme of closure and disposal of uneconomic businesses. In the *six months to October* 1982 the company returned to the black for the first time in *years with a £20,000 profit before* extraordinary items.

The directors say the company will continue to trade profitably in the second half and they expect to pay a 0.1p a share dividend. In the last full year to April 1982, Rivlin made a £324,000 loss.

The company now has three profit centres—a property in Cardiff valued at £1.6m, let to Co-op retail on a 25-year lease initially for a £150,000 a year rent; *Deyong, a textile importer* and Morgan Edwards, a 90 per cent-owned fitted kitchen and *bathroom contractor. Profits of* the three divisions in the half year to last October were £37,000, £12,000 and £13,000 respectively.

The directors say the company is now in a position to grow both by internal expansion and possibly by acquisition.

Advisors are County Bank and brokers, L. Messel.

Arbuthnot urges unitisation

Arbuthnot Securities has written to the shareholders of the two investment trusts it is trying to unitise and bring into its own American fund, urging them to vote *against their* boards' recommendations.

Arbuthnot, which is the unit *trust arm of Dow Scandia, is ask*ing shareholders of **The Atlanta, Baltimore and Chicago Regional** ***Investment Trust*** *and* **The West Coast and Texas Regional Investment Trust** to vote for pro*posals which would turn their* investment trust holdings into units in the Arbuthnot North American & *International Fund.*

Arbuthnot says that although the two boards have had access to details of its scheme, they have not asked for discussions and have not had sufficient information on which to base their rejection of the proposals.

Also alternative proposals from the trusts that the articles should be amended so that shareholders can decide in 1990 whether the trusts should continue to survive is, according to *Arbuthnot, "the facility to carry* out in 1990 what we are proposing should be done now *in 1983."*

The Arbuthnot men argue that their proposals are likely to give *an immediate rise in the value of* shareholders investments, a permanent solution to the discount "*problem*" *and allow* shareholders to participate in Arbuthnot's superior investment performance.

Grovebell well up

Continuing its strong recovery from the losses of 1980, **Grovebell Group,** an investment holding company, pushed pre-tax profits ahead from *£64,010 to £451,538* in the year to November 30 1982.

This follows a turnround from *a loss of £9,085 to a profit of* £159,405 at midway but the company is not yet returning to the dividend list. The directors say they expect to recommence preference payments in September 1983 and will also seriously consider a dividend on the ordinary shares.

They report that research is taking place into activities other to those in which the company is currently engaged.

Manders slips

Decreased pre-tax profits of *£3.5m against £4.02m were shown* by **Manders (Holdings)** for 1982. Turnover moved ahead from *£34.89m to £38.11m.*

Trading operations in the UK had a difficult year say the directors, with reduced levels of trading profit in ink and paint operations—down from £1.33m to *£966,000. There were exceptional* reorganisation costs this time of £241,000.

Earnings per share were shown as 15.7p (15.6p) and the final net dividend has been lifted from *4p to 4.6p, which improves the* total from 5.4p to 6p.

After extraordinary credits of *£236,000 (debits £24,000)* attributable profits increased from £2.26m to £2.54m.

Laing Properties

Pre-tax profits at **Laing Properties** rose by £1m to £9.7m in 1982. The final dividend is raised from 2.75p to 3p net for a total up from 4.5p to 5p. Investment income of this property investment company rose from £11m to £12.9m, and interest charges rose from £3.9m to £4.2m. Administration costs were unchanged at £1.1m.

Stated earnings per 25p share improved from an adjusted 8.8p to 12.9p. Shareholders' funds rose by £12m to £129m.

Bridport-Gundry

Pre-tax profits up from £36,000 to £303,000 are reported by **Bridport-Gundry,** netting and cordage manufacturer, for the *half-year to January 31 1983.* Sales rose from £7.47m to £8.78m. The interim dividend is raised *from 0.99p to 1.1p net—last* year's total was 2.41p from pre-tax profits of £326,000.

Baltic Leasing

In its initial figures since join*ing the Unlisted Securities* Market, **Baltic Leasing Group** reports pre-tax profits up from *£148,000 to £877,000 for the six* months to January 31 1983. Full year profits are expected to *exceed the forecast of £1.23m.*

Turnover of the group, principally engaged in arranging and *managing leases of plant, equip*ment, vehicles and industrial property, rose from £1.65m to *£3.54m.*

Stated earnings per share rose from 2p to 8.8p.

RACING

BY DOMINIC WIGAN

BRONDESBURY got favourite *backers off on the right foot last* March when he swept to a six-lengths Brocklesby Stakes victory, and there is no denying the confidnce behind his stable mate, Cedarway, in the flat's opening race this year.

He is expected to jump off favourite to give his and Brondesbury's owner, Ahmad Foustok, the Lebanese property developer, another triumph in a race Brondesbury dominated in much the way Deep Diver had back in 1971.

Cedarway, ridden by Tony Ives, should win if only half the rumours of his prowess are near the mark, but no one should ignore a market move for Mick Lambert's Our Dynasty, to be ridden by Pat Eddery.

*The Doncaster Mile brings to*gether Montekin, Noalcoholic and Princes Gate, who won the *race a year ago. Montekin will* almost certainly win if Dunlop has got him back to his best, but *Noalcoholic, the colt with the* best overall form in 1982, looks the answer.

He won in Fance last spring when scoring for Doujeb at Longchamps and then went from strength to strength in England after making what was then only intended as a "stopover" necessitated by quarantine regulations for Australia, where he was due to take up stud duties.

His lengthy stay at Newmar*ket came about through a* sparkling piece of homework with Buffavento which per*suaded connections to postpone* the Australian venture.

The policy paid off with four wins, *including a victory in the* Prix Messidor. Later — an inappropriately named winner of the *Bisquit Cognac Chal*lenge Stakes — Noalcoholic ended the year with 9st 5 lb in the *French Free Handicap* for four year old and above.

DONCASTER

2.35—Cedarway*
3.40—Noalcoholic***
4.10—Forever Mary**

UK ECONOMIC INDICATORS

ECONOMIC ACTIVITY—Indices of industrial production, manufacturing output (1975=100); engineering orders (1975=100); retail sales volume (1978=100); retail sales value (1978=100); registered unemployment (excluding school leavers) and unfilled vacancies (000s). All seasonally adjusted.

	Indl. prod.	Mfg. output	Eng. order	Retail vol.	Retail value*	Unem-ployed	Vacs.
1982							
1st qtr.	100.7	89.3	92	106.5	141.2	2,679	112
2nd qtr.	101.1	88.9	89	106.8	149.1	2,743	107
3rd qtr.	101.4	88.0	84	108.9	150.7	2,837	111
4th qtr.	101.4	87.2		110.7	184.5	2,913	115
May	101.5	89.5	93	106.8	143.2	2,740	107
June	100.3	88.1	76	107.2	144.6	2,773	108
July	101.2	87.9	82	108.0	151.9	2,814	111
August	101.3	87.9	84	109.4	156.6	2,832	114
September	101.6	88.0	83	109.3	149.9	2,866	107
October	101.6	87.4	90	109.3	158.6	2,885	114
November	100.3	86.6	84	110.8	171.5	2,906	114
December	102.2	87.5		112.2	215.5	2,949	118
1983							
January	102.4	89.8		110.1	154.7	2,983	122
February				110.5		3,000	124

OUTPUT—By market sector; consumer goods, investment goods, intermediate goods (materials and fuels); engineering output, metal manufacture, textiles, leather and clothing (1975=100); housing starts (000s, monthly average).

	Consumer goods	Invst. goods	Intmd. goods	Eng. output	Metal mnfg.	Textile etc.	Housg. starts*
1982							
1st qtr.	92.4	90.7	121.2	86.1	81.3	74.3	14.7
2nd qtr.	91.9	91.4	122.1	86.4	78.0	72.7	17.5
3rd qtr.	91.3	90.3	122.7	85.7	72.5	70.7	17.1
4th qtr.	92.2	88.6	122.5	84.9	69.6	71.0	15.0
April	92.0	91.0	123.0	86.0	81.0	74.0	17.1
May	93.0	91.0	123.0	87.0	80.0	74.0	17.7
June	91.0	91.0	121.0	86.0	73.0	70.0	17.8
July	91.0	90.0	123.0	85.0	72.0	70.0	16.7
August	91.0	90.0	122.0	86.0	72.0	69.0	15.7
September	92.0	90.0	123.0	86.0	73.0	73.0	19.0
October	93.0	88.0	123.0	85.0	71.0	72.0	15.5
November	91.0	89.0	120.0	85.0	67.0	69.0	17.3
December	93.0	89.0	124.0	86.0	70.0	72.0	12.3
1983							
January	94.0	91.0	123.0	86.0	75.0	71.0	15.3

EXTERNAL TRADE—Indices of export and import volume (1975=100); visible balance; current balance (£m); oil balance (£m); terms of trade (1975=100); exchange reserves.

	Export volume	Import volume	Visible balance	Current balance	Oil balance	Terms trade	Resv. US$bn*
1982							
1st qtr.	127.5	125.5	+234	+644	+698	101.2	18.97
2nd qtr.	131.4	130.2	+123	+885	+858	101.3	17.70
3rd qtr.	125.1	123.7	+609	+1,213	+1,373	100.5	18.30
4th qtr.	131.4	124.0	+1,262	+1,952	+1,736	99.3	16.85
April	133.5	131.6	+120	+374	+378	101.3	18.16
May	131.1	132.5	−77	+177	+289	100.9	17.82
June	129.5	126.3	+80	+334	+191	101.5	17.70
July	126.5	123.8	+193	+394	+449	100.7	17.94
August	118.3	121.1	+91	+293	+474	101.1	18.11
September	130.7	126.1	+325	+528	+390	99.7	18.30
October	126.8	125.8	+215	+445	+501	98.8	18.50
November	132.4	122.5	+539	+769	+543	99.4	18.00
December	135.0	123.8	+508	+738	+682	99.7	17.00
1983							
January	121.0	134.3	−491	−281	+501	99.8	16.85
February							16.58

FINANCIAL—Money supply M1 and sterling M3, bank advances in sterling to the private sector (three months' growth at annual rate); domestic credit expansion (£m); building societies' net inflow; HP, new credit; all seasonally adjusted. Minimum lending rate (end period).

	M1 %	M3 %	Bank advances %	DCE £m	BS inflow	HP lending	MLR %
1982							
1st qtr.				+3,194	987	2,157	
2nd qtr.	2.1	8.2	26.2	+4,535	1,344	2,210	
3rd qtr.	15.2	12.6	28.3	+4,842	1,796	2,396	
4th qtr.	19.0	13.3	26.9	+5,015	2,139	2,556	
May	−0.5	9.5	26.8	+1,684	478	729	
June	10.7	10.2	25.8	+1,240	429	751	
July	14.2	11.3	29.4	+1,369	691	703	
August	17.5	12.3	26.6	+2,034	437	853	
September	14.2	14.0	28.8	+1,418	668	840	
October	24.0	18.2	32.4	+2,850	886	808	
November	17.4	12.2	25.4	+1,115	763	874	
December	15.9	9.8	23.2	+1,068	490	874	
1983							
January	7.6	4.2	6.7	+900	391	872	
February	9.9	5.2	13.0	+813	386		

INFLATION—Indices of earnings (Jan 1975=100); basic materials and fuels, wholesale prices of manufactured products (1975=100); retail prices and food prices (1974=100); FT commodity index (July 1952=100); trade weighted value of sterling (1975=100).

	Earn-ings*	Basic matls.*	Whsale. mnfg.*	RPI*	Foods*	FT* comdty.	Strlg.
1982							
1st qtr.	216.6	238.2	234.3	311.6	297.7	242.40	91.1
2nd qtr.	222.7	240.0	238.2	321.5	304.1	233.46	90.3
3rd qtr.	227.8	244.9	242.0	323.0	297.0	228.88	91.4
4th qtr.	231.3	251.7	246.8	325.4	298.5	238.84	89.2
May	222.5	237.7	238.3	322.0	305.6	237.39	89.9
June	226.0	243.2	239.2	322.9	304.1	233.46	91.1
July	230.3	245.0	241.0	323.0	299.5	229.51	91.2
August	226.9	244.1	241.7	323.1	295.5	229.60	91.4
September	226.2	245.6	243.2	322.9	295.9	228.56	91.7
October	228.0	246.1	245.1	324.5	296.5	227.18	92.5
November	232.2	252.6	246.5	326.1	298.8	228.03	89.5
December	233.8	255.8	248.8	325.5	300.1	238.84	85.6
1983							
January	232.2	261.1	250.1	325.9	301.8	255.45	81.9
February		259.2	251.1	327.3	302.1	256.25	80.7

* Not seasonally adjusted.

Church & Co pays 1p more

On higher turnover of £39.08m, compared with £35.56m, taxable *profits of Church & Co. for 1982* rose from £1.56m to £1.86m — the company manufactures, *wholesales and retails footwear.*

A very substantial rise in manufacturing profits and in the contribution from the U.S. company more than offset a fall in UK retailing and Canadian profits. *However,* since the year end retailing has improved and factories continue to be busy *with excellent export business,* the directors say.

A final dividend of 7p (6p) raises the net total by 1p to 9.5p—earnings per 25p share came through at 22.7p, against 20.2p *for 1981.*

Pre-tax profits were after interest charges of *£775,000* *(£705,000). Tax took £660,000* (£499,000) and minorities accounted for £8,000 (£6,000). Midyear profits were much the same at £581,000 (£571,000).

Taxable profits of **A. Jones & Sons**, a subsidiary of Church & Co., fell from £296,000 to £60,000 over the same 12 months. Turnover, however, improved from £16.14m to £19.98m. Earnings per share were 10p down at 23p after tax of £194,000 (£69,000).

Copies of this Prospectus, having attached thereto the documents specified in paragraph 11(5) of Appendix 3, have been delivered to the Registrar of Companies for registration. Application has been made to the Council of The Stock Exchange for the Ordinary Share capital of Datastream Public Limited Company (the "Company") issued and now being issued to be admitted to the Official List. This Prospectus includes particulars given in compliance with the Regulations of the Council of The Stock Exchange for the purpose of giving information with regard to the Company. The Directors have taken all reasonable care to ensure that the facts stated herein are true and accurate in all material respects and that there are no other material facts the omission of which would make misleading any statement herein whether of fact or of opinion. All the Directors accept responsibility accordingly.

The Application List for the Ordinary Shares now being offered for sale will open at 10.00 a.m. on Tuesday, 29th March, 1983, and may be closed at any time thereafter. The procedure for application is set out at the end of this Prospectus.

DATASTREAM

DATASTREAM PLC

Incorporated under the Companies Acts 1948 to 1967
No. 1213031

Offer for Sale by Tender
by
Lazard Brothers & Co., Limited
of
1,994,114 Ordinary Shares of 5p each at a minimum tender price of 180p per share, the price tendered being payable in full on application.

SHARE CAPITAL

Authorised		Issued and now being issued fully paid
£1,000,000	in Ordinary Shares of 5p each	£664,704

Indebtedness. At the close of business on 28th February, 1983 the Company and its subsidiaries (the "Group") had outstanding finance lease commitments of £1,050,000. Save as aforesaid and apart from intra-Group liabilities, at that date neither the Company nor its subsidiaries had outstanding or created but unissued any loan capital (including term loans), mortgages, charges or other borrowings or indebtedness in the nature of borrowing, including bank overdrafts and liabilities under acceptances or acceptance credits, hire purchase commitments, or guarantees or material contingent liabilities.

DIRECTORS
Paul Graham Bosonnet *(Chairman)*
7 Oakcroft Close, West Byfleet, Surrey KT14 6JQ
Colin Grieve Southgate *(Deputy Chairman)*
Broadwood House, Lady Margaret Road, Sunningdale, Berks. SL5 9QH
Anthony Lawrence Helman *(Executive Director)*
20 Duchy Road, Hadley Wood, Barnet, Herts. EN4 0HU
David Spencer Enock
10 The Finches, Hitchin, Herts. SG4 9PE
James Dundas Hamilton
45 Melbury Court, London W8 6NH
Peter Kysel
49 Glenmore Road, London NW3 4DA
David William Norman Pitts
16 Millers Court, Chiswick Mall, London W4 2PF
Dennis Arthur Roberts
Clayes Farm, Broadford Bridge, Pulborough, West Sussex RH20 2LF

SECRETARY AND REGISTERED OFFICE
C.D.G. Robinson *A.C.I.S.*
Monmouth House, 58-64 City Road, London EC1Y 2AL

STOCKBROKERS
Cazenove & Co.
12 Tokenhouse Yard, London EC2R 7AN
and The Stock Exchange

AUDITORS AND REPORTING ACCOUNTANTS
Price Waterhouse, *Chartered Accountants*
32 London Bridge Street, London SE1 9SY

SOLICITORS TO THE COMPANY AND TO THE OFFER
Herbert Smith & Co.
Watling House, 35-37 Cannon Street, London EC4M 5SD

PRINCIPAL BANKERS
Barclays Bank PLC
72 Cheapside, London EC2V 6EL

RECEIVING BANKERS
Barclays Bank PLC
New Issues Department, P.O. Box 123, Fleetway House, 25 Farringdon Street, London EC4A 4HD

REGISTRARS AND TRANSFER OFFICE
Barclays Bank PLC
Registration Department, Radbroke Hall, Knutsford, Cheshire WA16 9EU

INTRODUCTION

Datastream Public Limited Company is the holding company of a group whose sole trading subsidiary is Datastream International Limited ("Datastream").

Datastream provides computer-based information and computation services—both on-line and in printed form—including investment research, investment accounting and portfolio valuations, together with analysis and graphics capabilities. These services are supported by databases giving international coverage of securities, companies, interest rates, exchange rates, financial futures, commodities and economic series.

Datastream's services are supplied principally in the UK and also in The Netherlands, Switzerland, Germany and Eire to stockbrokers, to banks, pension funds, unit trusts, investment trusts, insurance companies and other financial institutions, and to industrial companies. They are used by fund managers, financial analysts, economists and corporate planners.

HISTORY

Datastream has its origins in the research activities of Hoare & Co. (now Hoare Govett Limited), a leading City stockbroker, which, in 1964, set up a research department and began to make use of computers for the storage, manipulation and retrieval of financial information. In 1969, Hoare & Co. arranged for the installation of computer terminals in its clients' offices with on-line access to a securities database and to analytical programs, and during the early 1970s increased the provision to its clients of Datastream's developing investment research and portfolio valuation services. In 1974, with the assistance of funding from the National Research Development Corporation ("NRDC"), Datastream initiated the development and marketing of services for Europe; obtaining its first clients in The Netherlands in 1975, in Germany in 1977 and in Switzerland in 1979. The arrangements with NRDC, including NRDC's entitlement to future levies, were concluded by an agreed payment in January, 1982.

By 1976, it was felt that the ownership of Datastream by a single firm of stockbrokers was inhibiting growth and, following a corporate reconstruction which resulted in the present group structure, the Company was acquired by a consortium of UK industrial and financial concerns. The consortium included the BOC group, the Touche Remnant group of investment trusts, Lazard Brothers & Co., Limited, the Prudential Assurance Company and nine other organisations operating in the securities industry. The BOC group and Datastream entered into a development agreement at the time of the acquisition; this agreement was replaced in 1981 by a management services agreement which ended in April, 1982.

In 1978, Datastream acquired Inter-Bond Services Limited to extend its Eurobond activities. In 1980, Datastream introduced its Investment Accounting Service for investment institutions; in 1981 and 1982 respectively the Graphics Service and the Financial Futures Service were added to the product range.

In 1981, Datastream moved to its present premises at Monmouth House, City Road, London, which it occupies on a long-term lease. Datastream has a branch in The Netherlands and is locally represented in Switzerland and Germany.

BUSINESS

Datastream's business is the provision to clients of information and computation facilities relating to companies, securities and economic matters. The main services are Investment Research, Investment Accounting and Portfolio Services, and Printed & Miscellaneous Services. In general, these services are supported by common databases, operate on common computer facilities and are sold by a single sales force. All services are the subject of continuous development.

Investment Research Services and certain Investment Accounting and Portfolio Services are provided to clients via visual display units with attached printers which are installed in their offices and connected "on-line" to Datastream's central computer and databases. In general, clients pay a fixed annual fee based on the specific on-line services they receive.

Most of the Investment Accounting and Portfolio Services are centrally produced in Datastream's offices and are separately charged on a transaction basis. Printed & Miscellaneous Services are also centrally produced and are charged on either a fixed-fee or a volume basis.

The revenue contributions from the services in 1981/2 were approximately as follows:

	%
On-line Investment Research and other services	65
Central Investment Accounting and Portfolio Services	24
Printed & Miscellaneous Services	11
	100

Some 90% of Datastream's revenue in 1981/2 was for services provided in the UK, and 7% for services provided in The Netherlands. Hoare Govett Limited accounted for 22% of total revenue in that year (as compared with 75% in the nine months to March, 1976) of which about three-quarters related to services for its clients. No other client accounted for more than 2½% of Datastream's revenue.

The combination of Investment Research and Portfolio Services gives Datastream a unique position in the UK and The Netherlands among investment trusts, unit trusts, insurance companies, pension funds, stockbrokers, jobbers, merchant banks and other fund management organisations which together comprise the securities industries in those countries.

The Portfolio Services are applied to approximately 170,000 private client portfolios, 550 unit trust portfolios and 800 other institutional portfolios, making Datastream the dominant supplier of valuation services in the UK. The Investment Accounting Service introduced three years ago is used by 35 financial institutions and covers 450 institutional funds.

Services

Investment Research Services
Datastream's Investment Research Services provide users with on-line access to a range of databases by means of a series of analysis, computation and data retrieval programs which have output in both numeric and graphic formats. The services are provided in clients' offices on visual display units with attached printers, connected to Datastream by British Telecom (and PTT) leased lines, or alternatively, on Teletype compatible terminals. All programs are designed for ease of use and require no knowledge of computers or of computer techniques. Instructions are in English or, where appropriate, in German or French.

SUMMARY OF INFORMATION

The information set out below should be read in conjunction with the full text of the Prospectus from which it is derived.

Business: Datastream provides computer-based information and computation services to the securities industry in the UK and in Europe. Clients include stockbrokers, banks, pension funds, unit trusts, investment trusts, insurance companies and other financial institutions, and industrial companies.

Trading record and forecast:

	Year ended 30th June	*Revenue £'000*	*Profit before tax £'000*
Trading record:	1978	3,611	447
	1979	5,085	519
	1980	5,896	440
	1981	6,942	855
	1982	8,260	1,430
Forecast:	1983	10,000	2,000

Offer for Sale statistics based on the minimum tender price of 180p per share:

- Number of Ordinary Shares of 5p each in issue — 13,294,089
- Market capitalisation — £23.9 million
- Forecast earnings per share for the year ending 30th June, 1983 — 7.9p
- Prospective price earnings ratio* — 22.8
- Net annual dividend per share† — 2.25p
- Gross dividend yield† — 1.8%

*Based on forecast earnings after a tax charge of 47.5%. A notional 52% tax charge would give earnings per share of 7.2p and a prospective price earnings ratio of 25.0.
†Based on a total annual dividend of approximately £300,000.

The main components of the on-line services presently available are described in the following paragraphs.

Equity Research Services
The Equity Research Services provide clients with information on a wide range of markets, industries, companies and securities which can be retrieved and manipulated for analytical and research purposes. For example the Stock Market Performance and Measurement Service provides detailed stock market and company performance data from eight capital markets and enables company/industry/market comparisons to be made. Company Accounts Analysis provides two levels of analysis of company profit and loss accounts, balance sheets and statements of source and application of funds, together with accounting ratios.

There are facilities which enable Datastream's equity database to be searched to find stocks or companies meeting criteria specified by the user. Information can also be obtained on shareholdings of 5% and above in all UK listed companies.

Other services include analysis and information on traded options in the London and Amsterdam markets and historic and current information on various UK and overseas domestic market indices and on exchange rates.

Fixed Interest Services
Datastream's Fixed Interest Services provide information on gilt-edged securities, debentures, loan stocks, international and overseas domestic bonds, convertible loan stocks and preference shares. A wide range of basic market data can be manipulated and analysed for both individual and groups of securities. Search facilities are available and, for appropriate markets, switching comparisons can be obtained.

Economics & News Services
The economic information available to clients is contained in databases covering 12 leading industrialised countries, for eight of which Datastream provides an economic overview together with supporting assessments. Datastream has an econometric model which can be used by clients to simulate the effects of different assumptions for the UK economy for up to two years into the future.

Datastream also provides news services which give clients daily coverage of major international, financial, economic and political events, market reports and company news and results. Displays are provided of brokers' forecasts of UK company results and forecasts for the UK economy.

Financial Futures Service
Subscribers to the Financial Futures Service can obtain quotations directly from the London International Financial Futures Exchange ("LIFFE"), underlying cash market instrument information and historic data in both numeric and graphic formats. Programs provide analysis and specialist computational facilities for LIFFE members and other futures traders. The database also includes information received daily from the International Money Market and the Chicago Board of Trade.

Graphics Service
The Graphics Service provides clients with the means of creating, displaying and printing charts of financial and economic information drawn from Datastream's databases. Clients are able to obtain on-line, inter alia, multiple graphs per chart and multiple charts per screen, together with moving averages, percentage changes and specialist facilities, such as point and figure charts.

Investment Accounting and Portfolio Services

The Investment Accounting Service meets accounting and management information needs of unit trusts, insurance companies, investment trusts, pension funds and other fund managers. The elements of the Service are the Investment Ledger, the Income System and the Settlement System, which provide clients with on-line input and enquiry, a range of printed reports and automatic updates of portfolios for valuation and research purposes.

Portfolio Services enable clients to store and maintain their portfolios on Datastream's computer and give on-line access to portfolios for valuation and review, and for research purposes. A range of services meets requirements of organisations responsible for private clients, institutional portfolios (such as investment trusts, pension funds and insurance funds) and unit trusts. All services handle multi-currency portfolios, provide access to data on over 47,000 securities, and enable clients to record and update unlisted stocks in their own portfolios.

Printed & Miscellaneous Services

Datastream produces a range of regular printed publications for brokers in consortia and individually, and for the Association of International Bond Dealers ("AIBD"). The printed publications consist of price and market statistics, in a format agreed with the client, on specialist sectors such as investment trusts and on certain types of security such as debentures, convertible loan stocks and preference shares. Datastream also produces the AIBD's International Bond Manual and Eurobond Quotations and Yields.

Other miscellaneous services include a Bond Service for the Financial Times and ad hoc search, computation and chart services.

Databases
The core of Datastream's business is a series of constantly and accurately updated databases. The sources of the data are many and varied, formal and informal, and include: exchanges such as The Stock Exchange, LIFFE, the European Options Exchange and the Amsterdam Stock Exchange; information vendors including Extel, Reuters, Telerate, DAFSA Analyse, Hoppenstedt and Standard & Poor; market makers such as stockbrokers, jobbers and Eurobond dealers; and publications from companies and government departments.

Data is received in diverse ways including computer-to-computer links, magnetic tapes, telex and print. Some 70 data analysts are responsible for ensuring the accuracy, completeness and timeliness of data.

Current and historic market and accounts information is maintained as appropriate on all UK quoted companies, including those dealt in on the Unlisted Securities Market, on some 2,000 US, 150 Dutch, 110 French, 190 German, 60 Hong Kong, 830 Japanese and 170 Swiss companies.

The Fixed Interest database covers some 4,000 UK securities, 11,000 Dutch, Swiss and German domestic issues and 3,500 international bonds.

Computer, Communications and Printer Technology

At the heart of Datastream's system is a single mainframe computer with extensive disk storage, to which are attached communications processors, intelligent network processors, modems and terminals. New developments in computer technology are monitored and changes are made to the system when products offer improved cost-performance or enable Datastream to introduce new services. Changes currently being made include the introduction of laser printing and the replacement of modems.

Datastream pays particular attention to the confidentiality of client information, to the reliability of its services, and to minimising the vulnerability of its services to lengthy interruption. Its standards are considered to be in conformity with the best practices of the computer services industry.

DIRECTORS, MANAGEMENT AND EMPLOYEES

The Directors and management of the Group work within a two-tier system. The Directors of the Company are non-executive with the exception of Mr. A. L. Helman, who is also Managing Director of Datastream. He and the four other Directors of Datastream are responsible for executive management.

Directors

P. G. Bosonnet, aged 50, was appointed a Director of the Company in October, 1982 and Chairman in November, 1982. He is a Deputy Group Managing Director of The BOC Group plc ("BOC").

C. G. Southgate, aged 44, was appointed a Director of the Company in May, 1980 and is the Deputy Chairman. He is Chief Executive of the Information Technology Division of Thorn-EMI PLC and has 20 years of general and technical management experience in the fields of computing and computer services.

D. S. Enock, aged 47, was appointed a *Director of the Company in May,* 1980. He is an Investment Manager with the Commercial Union Assurance Company plc.

J. Dundas Hamilton, aged 63, was appointed a Director of the Company in October, 1982. He is Senior Partner of stockbrokers *Fielding, Newson-Smith & Co., a past Deputy Chairman* of The Stock Exchange and a director of several listed companies.

P. Kysel, aged 38, was appointed a Director of the Company in December, 1981. He is an Investment Manager of Touche, Remnant & Co.

D. W. N. Pitts, aged 52, was appointed a Director of the Company in July, 1982. He is a Director of BOC and Managing Director of BOC Limited.

D. A. Roberts, aged 62, was appointed a Director of the Company in December, 1976. He is a non-executive Director of Lazard Brothers & Co., Limited, having been an executive Director until January, 1983.

A. L. Helman, B.Sc., aged 48, is the only executive member of the Company's Board. He was appointed as Consultant to the Company and General Manager of Datastream in May, 1976, Managing Director of Datastream in May, 1977, and a Director of the Company in April, 1980. He has 27 years' general and technical management experience in the fields of computing and computer services with Rolls Royce Limited, Collins Radio Inc. and the Hoskyns Group.

Management of Datastream

There are four Directors of Datastream in addition to Mr. A. L. Helman:

S. A. Herman, *B.A., aged 34, joined Datastream as Marketing and Sales Director* in March, 1982, having previously spent eight years with Reuters and AP/Dow Jones.

H. A. F. Kearns, aged 36, is Operations Director. He joined Datastream in 1968, has held a range of technical and management positions and was *appointed a Director in June, 1973.*

L. A. Pinner, F.C.A., aged 36, is Financial Director. He joined Datastream in 1974, having previously spent three years with Price Waterhouse, and was appointed a Director in November, 1978.

R. Willis, B.Sc., aged 42, is Products and Services Director. He joined Datastream in 1969, has held a range of system development and production responsibilities and was appointed a Director in June, 1973.

The Secretary both to the Company and to Datastream is **C. D. G. Robinson,** B.A., A.C.I.S., aged 30. He joined *the* Company in April, 1982, having previously been with George Wimpey PLC, and was appointed Company Secretary in May, 1982.

Employees

Datastream has approximately 250 employees of whom all but 8 are based in London.

An analysis of the employees by function shows:

	%
Directors and Managers	13
Systems Analysts and Programmers	23
Data Analysts	28
Computer and Network Operators and Engineers	11
Marketing, Sales and Client Liaison	6
Print and Distribution	8
Accounts, Administration and Miscellaneous	11
	100

About 80% of the employees are aged 35 or under and 40% are aged 25 or under. The average length of service of Datastream's managers is 11 years. Datastream provides competitive salaries, a non-contributory pension and life assurance scheme, and permanent health insurance. It is intended that in due course the Company will adopt a senior management share option scheme and a savings related share option scheme for employees.

TRADING RECORD AND PROFIT FORECAST

The Group's trading record for the five years ended 30th June, 1982 and the Directors' forecast for the year ending 30th June, 1983 are summarised below:

Year to 30th June	1978 £'000	1979 £'000	*Actual* 1980 £'000	1981 £'000	1982 £'000	*Forecast* 1983 £'000
Revenue	3,611	5,085	5,896	6,942	8,260	10,000
Profit before taxation and extraordinary items	447	519	440	855	1,430	2,000
Profit after taxation and before extraordinary items	387	238	398	604	910	1,050
Earnings per share	2.9p	1.8p	3.0p	4.6p	6.8p	7.9p

Notes:
(1) The trading record for the five years ended 30th June, 1982 is taken from the Accountants' Report set out in Appendix 1.
(2) The Directors' forecast for the current year is based on the assumptions set out in Appendix 2.
(3) Earnings per share are calculated on the basis set out in note 6 in the Accountants' Report.

Revenue has increased in each year, reflecting growth in the number of clients and in the level of client activity, as well as the introduction of new services. Profit before taxation and extraordinary items has also increased in each year, except 1980 when rent and associated costs increased sharply and there was a higher than usual expenditure on the development of a major new service. The effective rate of taxation has varied widely each year due primarily to the incidence of capital expenditure, to decisions as between the purchase or rental of equipment and to the view of the likely level of future capital expenditure.

The Directors forecast that, in the absence of unforeseen circumstances, profit before taxation for the year ending 30th June, 1983 will be not less than £2 million on revenue of £10 million, increases of 40% and 21% respectively on the comparable figures for 1982. Capital expenditure in the current year is expected to be lower than in the two previous years, resulting in a higher effective rate of taxation of 47.5% and profit after taxation of £1,050,000. **Forecast earnings per share for 1983 are 7.9p, and at the minimum tender price, the prospective price earnings ratio is 22.8.** After a notional tax charge of 52% the corresponding figures would be 7.2p and 25.0.

DIVIDENDS

The shares now being offered for sale derive from a reorganisation of the Company's share capital. On 14th March, 1983 the Company made a rights issue to raise approximately £2.25 million. On 21st March, 1983 the Directors resolved that a special dividend amounting in total to approximately £2.25 million be paid on 6th April, 1983 to Ordinary Shareholders on the Register on 28th February. The effect of these transactions is illustrated in paragraph 1(8) of Appendix 3. The Ordinary Shares now offered for sale rank in full for all dividends hereafter declared or paid on the Ordinary Share capital of the Company except for the foregoing special dividend.

On the basis of the above forecast for the current year ending 30th June, 1983 the Directors intend, in the absence of unforeseen circumstances, to recommend a final dividend for that year of 1.5p per Ordinary Share. This is expected to be paid in November, 1983.

In respect of a full year in which a level of profit similar to that forecast in this Prospectus were earned, the Directors would expect approximately £300,000 to be distributed by way of *dividend (2.25p per share) payable as to approximately one-third* as an interim dividend in May and the remainder as a final dividend in November. Such dividend would be covered 3.5 times by forecast earnings per share of 7.9p and would represent a gross yield of 1.8% on the *minimum tender price.*

PROSPECTS

The Directors are confident that the business of the Group and its revenue and profit will continue to grow significantly in real terms.

The Group has grown considerably since 1976. It has achieved wide acceptance of its services in the UK and Dutch securities industries where it has established a substantial client base and where demand for its services is increasing. Future growth will come from existing services and new developments for the securities industry, from new developments for related markets, and from increasing development of overseas markets.

The Directors believe that, with its competence in computer and communications technology and its skills in developing and marketing information and computation services, Datastream is ideally placed to benefit from the overall growth that is forecast for computer-based information services.

APPENDIX 1
ACCOUNTANTS' REPORT

The following is a copy of a Report to the Directors of the Company and of Lazard Brothers & Co., Limited made by the Auditors and Reporting Accountants, Price Waterhouse, Chartered Accountants.

Southwark Towers,
32 London Bridge Street,
London SE1 9SY

The Directors,
Datastream PLC

21st March, 1983

The Directors,
Lazard Brothers & Co., Limited

Gentlemen,

We have examined the financial statements of Datastream PLC (the "Company") and its subsidiaries (together the "Group") for the five years and six months ended 31st December, 1982. We set out below financial information relating to the Group which has been prepared from the audited financial statements after making such adjustments as we consider appropriate.

In our opinion,

(i) the financial information set out under the general heading "Historical cost accounts" gives, under the historical cost convention, a true and fair view of the results and source and application of funds of the Group for each of the five years ended 30th June, 1982 and the six months ended 31st December, 1982 and of the state of affairs of the Company and the Group at 31st December, 1982; and

(ii) the financial information set out under the general heading "Current cost accounts" has been properly prepared in accordance with the policies and methods described in the notes thereon to give the information required by Statement of Standard Accounting Practice No. 16.

HISTORICAL COST ACCOUNTS

Consolidated profit and loss accounts

	Notes	Year ended 30th June 1978 £'000	1979 £'000	1980 £'000	1981 £'000	1982 £'000	Six months to 31st December 1982 £'000
Turnover	2	3,611	5,085	5,896	6,942	8,260	4,828
Profit before taxation	3	447	519	440	855	1,430	1,059
Taxation	4	60	281	42	251	520	468
Profit after taxation and before extraordinary items		387	238	398	604	910	591
Extraordinary items	5	—	—	—	145	164	—
Profit after extraordinary items		387	238	398	459	746	591
Dividends		36	40	44	51	221	—
Profit retained		351	198	354	408	525	591
Earnings per share (p)	6	2.9	1.8	3.0	4.6	6.8	4.4
Dividends per share (p)		0.27	0.30	0.33	0.39	1.66	

DATASTREAM

Consolidated balance sheet at 31st December, 1982

	Note	£'000	£'000
Fixed assets	7		2,400
Goodwill			557
Current assets			
Debtors and prepayments		1,745	
Taxation		350	
Investments (Market value £495,000)		448	
Short term deposits		1,025	
Cash at bank and in hand		167	
		3,735	
Current liabilities			
Revenue billed in advance		1,206	
Creditors		1,181	
Taxation		517	
		2,904	
Net current assets			831
Net assets employed			3,788
Financed by:			
Share capital	8		147
Reserves	9		3,189
Shareholders' funds			3,336
Deferred taxation	4		452
			3,788

Company balance sheet at 31st December, 1982

	Note	£'000
Investment in subsidiaries		771
Share capital	8	147
Reserves	9	624
		771

Consolidated statements of source and application of funds

	Year ended 30th June 1978 £'000	1979 £'000	1980 £'000	1981 £'000	1982 £'000	Six months to 31st December 1982 £'000
Source of funds						
Profit before taxation	447	519	440	855	1,430	1,059
Extraordinary items	—	—	—	(303)	(490)	—
Depreciation	298	680	524	460	559	404
Total generated from operations	745	1,199	964	1,012	1,499	1,463
Funds from other sources						
Sale of fixed assets	10	4	300	14	19	3
Amount raised on hire purchase	767	61	162	237	195	—
Issue of shares	—	—	6	13	11	—
Total source	1,522	1,264	1,432	1,276	1,714	1,466
Application of funds						
Purchase of subsidiary	—	196	6	13	11	—
Purchase of fixed assets	1,140	509	694	595	1,779	352
Taxation paid/(repaid)	331	(185)	321	70	311	64
Hire purchase repayments	77	233	528	90	463	—
Dividend paid	—	36	40	44	51	221
	1,548	799	1,589	1,112	2,655	637
Changes in working capital						
Increase/(decrease) in debtors	101	360	659	340	(83)	(269)
(Increase)/decrease in revenue billed in advance	(138)	(164)	(283)	(233)	(261)	579
(Increase)/decrease in creditors	(105)	(76)	(351)	(273)	73	14
	(142)	(20)	25	(166)	(271)	324
Total application	1,406	779	1,614	946	2,384	961
Movement in net liquid funds						
Increase/(decrease) in investments and short term deposits	250	65	(139)	514	(777)	525
Increase/(decrease) in cash	(134)	290	(43)	(184)	107	(20)
	116	355	(182)	330	(670)	505

Notes to the financial statements

1. Accounting policies

The following are the principal accounting policies adopted by the Group.

Turnover
Turnover represents the amounts earned on sales invoiced for services rendered and publications (after making allowance for payments in advance calculated on a time apportioned basis), and is exclusive of Value Added Tax.

Fixed assets
Fixed assets are stated at cost less accumulated depreciation. Assets are depreciated over their estimated useful lives as follows:

Computer equipment	— 4 years
Leasehold improvements	— the lesser of the period of the lease or 7 years
Office equipment	— 4-7 years
Motor vehicles	— 4 years

Research and development expenditure
All research and development expenditure is written off in the period in which it is incurred.

Deferred taxation
Provision is made for the effect of taxation deferred through income and expenditure being recognised for taxation purposes in different periods from those used for accounting purposes, except to the extent that there is reasonable evidence that such deferred taxation will not be payable in the foreseeable future.

Goodwill
Goodwill is stated at cost and is not amortized, unless any reduction in value becomes evident.

2. Turnover

Turnover comprises:

	Year ended 30th June 1978 £'000	1979 £'000	1980 £'000	1981 £'000	1982 £'000	Six months to 31st December 1982 £'000
On-line Investment Research and other services	2,109	2,991	3,740	4,343	5,364	3,143
Central Investment Accounting and Portfolio Services	865	1,117	1,312	1,611	1,954	1,175
Printed & Miscellaneous Services	637	977	844	988	942	510
	3,611	5,085	5,896	6,942	8,260	4,828

3. Profit before taxation

Profit before taxation is stated after:

	Year ended 30th June 1978 £'000	1979 £'000	1980 £'000	1981 £'000	1982 £'000	Six months to 31st December 1982 £'000
Crediting:						
Interest receivable	52	115	184	193	229	59
Charging:						
Depreciation	298	680	524	460	559	404
Hire of equipment and lines	634	530	806	1,016	1,041	365
Interest payable	25	75	20	50	56	—
Auditors' remuneration	6	9	10	11	12	—
Directors' remuneration	18	20	29	68	79	69*

*Includes an ex-gratia payment of £25,000 to a former Director.

4. Taxation

(a) The charge for taxation is represented by:

	Year ended 30th June 1978 £'000	1979 £'000	1980 £'000	1981 £'000	1982 £'000	Six months to 31st December 1982 £'000
UK corporation tax	(194)	361	259	261	77	646
Deferred tax	250	(71)	(217)	(6)	469	(157)
Prior year adjustments	4	(9)	—	(4)	(26)	(21)
	60	281	42	251	520	468
Deferred tax not provided/released:						
Capital allowances	200	—	217	197	236	90

(b) Deferred tax at 31st December, 1982 comprises:

	Provided £'000	Not provided £'000
Capital gains	117	—
Capital allowances	310	930
Short term timing differences	25	—
	452	930

5. Extraordinary items

Extraordinary items comprise:

	1981 £'000	1982 £'000
Relocation costs	303	180
Compensation received on vacation of previous premises	—	(325)
NRDC termination costs	—	635
	303	490
Less UK taxation	158	326
	145	164

Under an agreement dated 4th June, 1974, and prior to 30th June, 1977, the National Research Development Corporation ("NRDC") contributed towards a development project the sum of £320,000 which was taken to income. NRDC was entitled to receive a levy on revenue from this project but no such levy had become due prior to the termination of this agreement (and NRDC's entitlement to future levies) upon a single payment to NRDC of £635,000 on 25th January, 1982.

6. Earnings per share

Earnings per share for each period are based on the profit after taxation and before extraordinary items and the average number of shares in issue in each period adjusted to take account of the changes in capitalisation referred to in note 11 below.

7. Fixed assets

Fixed assets comprise:

	Computer equipment £'000	Leasehold improvements, office equipment, motor vehicles £'000	Total £'000
Cost	3,297	1,121	4,418
Less Accumulated depreciation	1,610	408	2,018
Net book amount at 31st December, 1982	1,687	713	2,400

8. Share capital

Authorised: £1,000,000 divided into 9,200,000 Ordinary Shares of 10p each and 800,000 Deferred Shares of 10p each.

Issued: 735,158 Ordinary Shares of 10p each
735,158 Deferred Shares of 10p each.

On 21st March, 1983 the share capital was reorganised as referred to in note 11.

9. Reserves

During the five years and six months ended 31st December, 1982 a total amount of £27,000 was credited to share premium account upon the issue of Ordinary Shares.

Reserves at 31st December, 1982 were as follows:

	Company £'000	Group £'000
Distributable reserves	—	2,565
Share premium account	624	624
	624	3,189

10. Commitments

Capital expenditure commitments
At 31st December, 1982 capital expenditure authorised and contracted for amounted to £34,000. Capital expenditure authorised but not yet contracted for amounted to £265,000.

Lease commitments
At 31st December, 1982 the Group leased computer equipment and motor vehicles under finance and operating leases expiring at various dates up to 30th June, 1986, and was committed to pay as follows:

	Finance leases £'000	Operating leases £'000	Total £'000
Six months ending 30th June, 1983	129	19	148
Year ending 30th June, 1984	390	38	428
Year ending 30th June, 1985	314	38	352
Year ending 30th June, 1986	177	21	198
	1,010	116	1,126

11. Subsequent changes in capitalisation

Conditionally upon the admission to the Official List of all the Ordinary Shares of the Company:

(1) by a Special Resolution of the Company passed on *21st March, 1983:*
 (a) each Deferred Share of 10p was converted into one Ordinary Share of 10p;
 (b) each Ordinary Share of 10p was divided into two Ordinary Shares of 5p; and
 (c) 8,621,896 Ordinary Shares of 5p each were *issued fully paid by way of a capitalisation of part of share* premium account;

(2) on 14th March, 1983 the Company offered 1,531,561 new Ordinary Shares of 5p each by way of rights at a price of 147p per share to raise a gross amount of approximately £2.25 million; and

(3) at a Board meeting of the Company held on 21st March, 1983 the Directors resolved that a dividend of £3.06 in respect of each Ordinary Share of 10p (totalling approximately £2.25 million) be paid on 6th April, 1983 to holders on the Register of Members on 28th February, 1983.

CURRENT COST ACCOUNTS

Consolidated current cost profit and loss account

	Notes	Year ended 30th June 1981 £'000	1982 £'000	Six months to 31st December 1982 £'000
Historical cost profit before taxation and interest		712	1,257	1,000
Current cost adjustment				
Depreciation	1	(95)	(114)	(58)
Monetary working capital	1	—	(5)	—
Current cost operating profit before taxation and interest		617	1,138	942
Net interest receivable		143	173	59
Current cost profit before taxation		760	1,311	1,001
Taxation		(251)	(520)	(468)
Current cost profit after taxation		509	791	533
Extraordinary items		(145)	(164)	—
Proposed dividend		(51)	(221)	—
Retained current cost profit		313	406	533
Current cost earnings *per share* (p)		3.8	5.9	4.0

Consolidated current cost balance sheet

		31st December 1982 £'000
Fixed assets	2	2,486
Goodwill		557
Net current assets		831
		3,874
Share capital		147
Reserves	3	3,275
Deferred taxation		452
		3,874

Notes to the consolidated current cost accounts

1. Basis of preparation

The current cost accounts have been prepared in accordance with *Statement of Standard Accounting Practice* No. 16. The accounting policies adopted are the same as those used in the historical cost accounts except as indicated below.

(1) Fixed assets and depreciation
Current cost calculations are based on:

Office equipment, Motor vehicles, Leasehold improvements	appropriate indices *compiled by* the government statistical service.
Computer equipment	historical cost – no adjustment has been made as this equipment is not increasing in cost.

Depreciation has been charged on assets in use which have been fully depreciated in the historical cost accounts.

(2) Monetary working capital
The monetary working capital adjustment represents the additional amount required to finance the excess of debtors over creditors by applying appropriate indices.

(3) Gearing adjustment
The gearing adjustment is immaterial.

2. Summary of fixed assets

	Computer equipment £'000	Leasehold improvements, office equipment, motor vehicles £'000	Total £'000
Current cost at 31st December, 1982	3,297	1,356	4,653
Aggregate depreciation	1,610	557	2,167
Net current cost at 31st December, 1982	1,687	799	2,486

3. Reserves

	30th June 1981 £'000	1982 £'000	31st December 1982 £'000
At beginning of period	1,683	2,086	2,653
Inflation adjustments			
Revaluation of fixed assets	90	146	89
Monetary working capital adjustment	—	5	—
Retained profit for period	313	406	533
Share premium	—	10	—
At end of period	2,086	2,653	3,275

Yours faithfully,
PRICE WATERHOUSE
Chartered Accountants

APPENDIX 2
PROFIT FORECAST

1. Bases and assumptions

The forecast of revenue and profit before and after taxation and of earnings per share for the Group *for the year ending 30th June,* 1983 *is* based on the audited results for the six months ended 31st December, 1982 and a forecast for the six months ending 30th June, 1983, applying the accounting policies set out in the Accountants' Report in Appendix 1. The forecast is made on the following principal assumptions:

(a) Trade will not be materially and adversely affected by industrial disputes or by any other circumstances beyond the control of the Group.

(b) *There* will be no *material* changes in the current rates or bases of direct or indirect taxation.

2. Letters

The following are copies of letters to the Directors of the Company relating to the profit forecast for the year ending 30th June, 1983:

Letter from Auditors and Reporting Accountants

The Directors
Datastream PLC
Monmouth House
58-64 City Road
London EC1Y 2AL

21st March, 1983

Dear Sirs,

We have reviewed the accounting policies and calculations for the forecast of revenue and profit before and after taxation of Datastream PLC and its subsidiaries (the "Group") (for which the Directors are solely responsible) for the year ending 30th June, 1983, set out in the Prospectus to be dated 22nd March, 1983. The forecast includes the audited results for the six months ended 31st December, 1982.

In our opinion the forecast, so far as the accounting policies and calculations are concerned, has been properly compiled on the footing of the assumptions made by the Board set out in *the* Prospectus to be dated 22nd March, 1983 and is presented on a basis consistent with the accounting policies normally adopted by the Group.

Yours faithfully,
PRICE WATERHOUSE
Chartered Accountants

Letter from Lazard Brothers & Co., Limited

The Directors
Datastream PLC
Monmouth House
58-64 City Road
London EC1Y 2AL

21st March, 1983

Dear Sirs,

We have discussed with you and with Price Waterhouse the forecast of revenue and profit before and after taxation of Datastream PLC and its subsidiaries for the year ending 30th June, 1983, together with the assumptions on which it is based, as set out in the Prospectus to be dated 22nd March, 1983. We consider that the forecast (for which you, as Directors, are solely responsible) has been made after due and careful enquiry.

Yours truly,
for and on behalf of
Lazard Brothers & Co., Limited
Marcus Agius
Director

APPENDIX 3

STATUTORY AND GENERAL INFORMATION

The Company was incorporated in England as a private company on 19th May, 1975 under the Companies Acts 1948 to 1967 as Caldimar Limited. Its name was changed to Datastream Limited on 20th February, 1976, and it re-registered as a public company on 5th April, 1982. Its registered number is 1213031.

1. Reorganisation

(1) At 31st December, 1982 the authorised share capital of the Company was £1,000,000, divided into 9,200,000 Ordinary Shares of 10p each and 800,000 Deferred Shares of 10p each, whereof 735,158 Ordinary Shares and 735,158 Deferred Shares were in issue credited as fully paid. At the same date, as shown in the Accountants' Report in Appendix 1, the distributable reserves of the Group amounted to £2,565,000.

(2) By Special Resolution passed on 21st March, 1983, conditionally upon the Ordinary Share capital of the Company, issued and now being issued, being admitted to the Official List:

(a) each Deferred Share of 10p was converted into one Ordinary Share of 10p;

(b) each Ordinary Share of 10p was divided into two Ordinary Shares of 5p each;

(c) £441,094.80 (being part of the amount standing to the credit of share premium account) was capitalised and the Directors were authorised to appropriate the sum by allotting 8,821,896 Ordinary Shares of 5p each, credited as fully paid, to the holders immediately prior to the passing of the resolution of the 735,158 issued Ordinary Shares of 10p each of the Company in the proportions in which the sum would have been divisible had it been applied in paying dividends;

(d) new Articles of Association were adopted;

(e) amendments were made to the Memorandum of Association;

(f) authority was given to the Directors pursuant to Section 14 of the Companies Act 1980 to allot relevant securities (as defined in that Section) up to a maximum nominal amount of £411,873.60 during the period expiring on 20th March, 1988; and

(g) authority was given to the Directors to allot Ordinary Shares for cash irrespective of the provisions of Section 17(1) of the Companies Act 1980 provided (i) the allotment was in respect of a rights issue in favour of Ordinary Shareholders, notwithstanding that by reason of such exclusions as the Directors might deem necessary to deal with problems arising in any overseas territory, in connection with fractional entitlements or otherwise howsoever, the Ordinary Shares to be issued were not offered to all of such holders in proportion to the number of Ordinary Shares held by each of them; and (ii) the maximum number of Ordinary Shares allotted otherwise than in connection with such a rights issue in the period expiring on 30th June, 1984 and each successive period of one year expiring on 30th June thereafter for which the authority might be extended by resolution in general meeting, did not exceed the number being 5% of the number of Ordinary Shares included in the authorised share capital of the Company at the beginning of that period.

(3) On 21st March, 1983, conditionally upon the Ordinary Share capital of the Company being admitted to the Official List, the Directors resolved to pay a dividend of £3.06 per share (exclusive of the associated tax credit) to the holders of the Ordinary Shares of 10p each on the Register of Members on 28th February, 1983. The dividend is to be paid on 6th April, 1983.

(4) On 14th March, 1983, conditionally upon the Ordinary Share capital of the Company being admitted to the Official List, the Company offered 1,531,561 new Ordinary Shares of 5p each, by way of rights, to the holders of Ordinary Shares on the Register of Members on 28th February, 1983, on the basis of 25 new Ordinary Shares of 5p each for every 12 Ordinary Shares of 10p each then held. These new Ordinary Shares of 5p each (the "Rights Issue Shares") were offered at a price of 147p per share.

(5) By 9.00 a.m. on 21st March, 1983 (the latest time for acceptance) shareholders had taken up and paid in full for 5,911 new Ordinary Shares of 5p each, subscribing an aggregate of £8,689.17. The balance of £2,242,705.50 to be raised by the Company under the rights issue will be provided as stated in (6) below.

(6) Under an Agreement dated 22nd March, 1983 more fully described in paragraph 7 of this Appendix, Lazard Brothers & Co., Limited ("Lazards") has acquired the rights (nil paid) in respect of the balance of the Rights Issue Shares not taken up on terms that Lazards will pay the rights issue price to the Company and pay to the original allottees any excess of the price per share obtained under this Offer for Sale over the rights issue price. Under the same Agreement Lazards agreed to purchase 468,464 of the new Ordinary Shares of 5p each allotted by virtue of the capitalisation described in (2)(c) above (the "Bonus Issue Shares").

The aggregate of the Rights Issue Shares acquired nil paid and the Bonus Issue Shares constitute the shares the subject-matter of this Offer for Sale.

The aggregate of (i) the monies already received by the Company in respect of those of the Rights Issue Shares taken up and (ii) the monies to be received by the Company from Lazards under the Agreement before deduction of commission and expenses is £2,251,394.67.

(7) Payment by the Company of the dividend described in (3) above amounting in aggregate to £2,249,583.48, will involve the Company in the payment to the Inland Revenue in July 1983 of advance corporation tax amounting to £964,107.21 on the basis of an income tax rate of 30%. The Directors expect that, subject to unforeseen circumstances, this amount will be offset against Group corporation tax payable in respect of financial periods ending 30th June, 1984.

(8) There is set out below a pro-forma balance sheet based on the Group balance sheet at 31st December, 1982, as set out in the Accountants' Report in Appendix 1, adjusted in respect of:

(i) the payment of the dividend aggregating £2,249,583.48, exclusive of the associated tax credit;

(ii) advance corporation tax of £964,107.21 to be paid in July, 1983;

(iii) the issue of the Rights Issue Shares and 8,821,896 new Ordinary Shares of 5p each by virtue of the capitalisation described in (2)(c) above; and

(iv) receipt of the gross proceeds in respect of the Rights Issue Shares of £2,251,394.67.

	Per Accountants' Report		Pro-forma balance sheet	
	£'000	£'000	£'000	£'000
Fixed assets and goodwill		2,957		2,957
Advance corporation tax recoverable		—		537
Current assets				
Investments, short term deposits and cash at bank and in hand	1,640		646	
Other	2,095		2,095	
	3,735		2,741	
Current liabilities				
Taxation	517		320	
Other	2,387		2,387	
	2,904		2,707	
Net current assets		831		34
		3,788		3,528
Share capital		147		665
Share premium account		624		2,357
Distributable reserves		2,565		315
Shareholders' funds		3,336		3,337
Deferred taxation		452		191
		3,788		3,528

Note: The above pro-forma balance sheet makes no allowance for the expenses (estimated to amount to £330,000) described in paragraph 11 (3) of this Appendix. These costs will be charged against share premium account.

2. Share capital

(1) Immediately following this Offer for Sale the authorised share capital of the Company will be £1,000,000 divided into 20,000,000 Ordinary Shares of 5p each, 13,294,089 of which will be issued fully paid.

(2) Pursuant to an Agreement dated 13th July, 1978, under which Datastream acquired all the issued shares of Inter-Bond Services Limited and Ibis Cybernetics Limited, 3,480 Ordinary Shares of 10p each and 3,480 Deferred Shares of 10p each in the Company were issued credited as fully paid on 26th November, 1981 to the vendors of shares in those companies.

(3) Two Ordinary Shares of £1 each in Commandward Limited were issued nil paid on incorporation on 16th September, 1982.

(4) Save as disclosed in this Appendix:

(a) no share or loan capital of the Company or of any of its subsidiaries has been issued within the two years immediately preceding the date of this Prospectus or is now proposed to be issued, fully or partly paid, for cash or for a consideration other than cash;

(b) no commissions, discounts, brokerages or other special terms have been granted by the Company or any of its subsidiaries within the two years immediately preceding the date of this Prospectus in connection with the issue or sale of any share or loan capital of any of such companies; and

(c) no capital of the Company or of any of its subsidiaries is under option or agreed conditionally or unconditionally to be put under option.

(5) Without the prior approval of the Company in general meeting, no material issue of shares of the Company will be made within one year of the date of this Prospectus and no issue of such shares will be made which would effectively alter the control of the Company.

3. Articles of Association

The Articles of Association of the Company contain provisions, inter alia, to the following effect:

(A) *Votes of Members*

Subject to any rights or restrictions for the time being attached to any class of shares, every member who (being an individual) is present in person or (being a corporation) is present by a representative or proxy shall on a show of hands have one vote only, and on a poll every member shall have one vote for each share held by him.

(B) *Variation of Rights*

The rights attached to any class of shares in the Company may be varied or abrogated in such manner as may be provided by those rights or, in the absence of such provision, with the consent in writing of the holders of three quarters of the issued shares of the class or with the sanction of an extraordinary resolution passed at a separate meeting of the holders of shares of the class.

(C) *Borrowing*

The aggregate borrowings of the Company and/or (so far as its powers of control can ensure) any of its subsidiaries (excluding intra-Group borrowing) shall not without the previous sanction of an ordinary resolution exceed an amount equal to twice the aggregate of the amount paid up on the share capital of the Company and the consolidated reserves of the Group (adjusted as provided in the Articles).

(D) *Directors*

(1) No share qualification shall be required of a Director.

(2) The remuneration of the Directors shall be such sum as shall from time to time be determined by ordinary resolution of the Company (at present, £60,000). Such remuneration shall be divided among the Directors as the Board may determine or, failing such determination, equally. The Directors shall also be entitled to be paid all travelling, hotel and other expenses properly incurred by them in connection with the business of the Company.

(3) Any Director who serves on any committee or devotes special attention to the business of the Company or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director may be paid such extra remuneration by way of salary, participation in profits or otherwise as the Directors may determine.

(4) The Directors may from time to time appoint any one or more of their body to be the holder of any executive office. A Director holding executive office shall receive such remuneration (whether by way of salary, commission, participation in profits and partly in one way and partly in another or others, or otherwise) as the Directors may determine.

(5) The statutory provisions as to retirement of Directors at age 70 apply to the Company.

(6) A Director of the Company may be or become a director or other officer or otherwise interested in any company promoted by the Company or in which the Company may be interested, as a member or otherwise, and no such Director shall be accountable for any remuneration or other benefits received by him as a director or other officer of or from his interest in such other company. The Directors may exercise the voting power conferred by the shares of any other company held or owned by the Company in such manner in all respects as they think fit, including the exercise thereof in favour of any resolution appointing themselves or any of them directors or other officers of such company, or voting or providing for the payment of remuneration to the directors or other officers of such other company.

DATASTREAM

(7) A Director may hold any other office or place of profit under the Company (except that of auditor) in conjunction with his office of Director, and may act in a professional capacity to the Company, on such terms as to tenure of office, remuneration and otherwise as the Directors may determine. Subject to the Companies Acts 1948 to 1981 and to sub-paragraph (8) below, no Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any other office or place of profit or as vendor, purchaser or otherwise, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way, whether directly or indirectly, interested, be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established.

(8) A Director who is to his knowledge in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest at the meeting of the Directors at which the question of entering into the contract or arrangement is first taken into consideration, if he knows his interest then exists, or in any other case at the first meeting of the Directors after he knows that he is so interested. A general notice given to the Directors by any Director to the effect that he is a member of any specified company or firm and is to be regarded as interested in any contract with such company or firm shall be sufficient declaration of interest under this Article, and after such general notice it shall not be necessary to give any special notice relating to any subsequent transaction with such company or firm, provided that either the notice is given at a meeting of the Directors or the Director giving the same takes reasonable steps to secure that it is brought up and read at the next meeting of the Directors after it is given.

(9) Save as in the particular circumstances specified in the Articles, a Director shall not vote at a meeting of Directors or of a committee of Directors on any resolution concerning a matter in which he has, directly or indirectly, a material interest otherwise than by virtue of his interests in shares or debentures or other securities or otherwise in or through the Company. A Director is deemed to have an interest which a person has who (for the purpose of Part IV of the Companies Act 1980) is connected with him. The Company may by ordinary resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of the Articles prohibiting a Director from voting at a meeting of Directors or of a committee of Directors and may ratify any transactions not duly authorised by reason of a contravention of such provision.

(10) The particular circumstances are:

(a) the resolution relates to the giving to him of a guarantee, security, or indemnity in respect of money lent to, or an obligation incurred by him for the benefit of, the Company or any of its subsidiaries;

(b) the resolution relates to the giving to a third party of a guarantee, security, or indemnity in respect of an obligation of the Company or any of its subsidiaries for which the Director has assumed responsibility in whole or part and whether alone or jointly with others under a guarantee or indemnity or by the giving of security;

(c) the resolution relates to a proposal concerning the offer of shares or debentures or other securities of or by the Company or any of its subsidiaries for subscription or purchase in which either he is or is to be interested as a participant in the underwriting or sub-underwriting thereof;

(d) the resolution relates in any way to a retirement benefits scheme which has been approved, or is conditional upon approval, by the Board of Inland Revenue for taxation purposes;

(e) the resolution relates to any arrangement for the benefit of the employees under which the Director benefits in a similar manner as the employees;

(f) the resolution relates to any other company in which he is interested, directly or indirectly, and whether as an officer or shareholder or otherwise howsoever, provided that he is not the holder of or beneficially interested in 1% or more of any class of the equity share capital of such company (or of any third company through which his interest is derived) or of the voting rights available to members of the relevant company (any such interest being deemed to be a material interest in all circumstances).

Where proposals are under consideration concerning the appointment of two or more Directors to offices or employments with the Company or any body corporate in which the Company is interested, the proposals may be divided and considered in relation to each Director separately and, if not otherwise debarred from voting, each of the Directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.

(11) Subject to an ordinary resolution of the Company, the Directors shall not be less than three in number. The Company may by ordinary resolution vary the minimum number and/or fix and from time to time vary a maximum number of Directors.

4. Subsidiary companies

The subsidiaries of the Company are listed below. All are private companies, wholly owned and incorporated in England. Except for Datastream, all are dormant.

Name	Date of Incorporation	Issued Share Capital
Commandward Limited	16th September, 1982	£2
Datastream International Limited	7th August, 1968	£2
Datastream Services Limited	29th December, 1934	£250
Guildstream Computer Services Limited	18th April, 1974	£100
Guildstream Research Services Limited	18th April, 1974	£100
Ibis Cybernetics Limited	29th June, 1977	£3
Inter-Bond Services Limited	23rd June, 1969	£1,750

Application has been made for Guildstream Computer Services Limited, Guildstream Research Services Limited, Ibis Cybernetics Limited and Inter-Bond Services Limited to be struck off the Register of Companies.

5. Directors' interests

(1) No Director had an interest in the share capital of the Company preceding this Offer for Sale, as shown by the register maintained under the provisions of the Companies Act 1967.

(2) (a) No Director of the Company has or has had any interest in any assets which, since 21st March, 1981, have been, or are proposed to be, acquired or disposed of by, or leased to, the Company or any of its subsidiaries.

(b) No contract or arrangement subsists in which a Director of the Company is materially interested and which is significant in relation to the business of the Company and its subsidiaries taken as a whole.

(3) No Director of the Company has nor is it proposed that any such Director should have a service contract with the Company or any subsidiary, other than a contract expiring or determinable by the employing company without payment of compensation (other than statutory compensation) within one year.

(4) In the year ended 30th June, 1982 the aggregate emoluments of the Directors amounted to £79,000. The aggregate emoluments of the Directors in the year ending 30th June, 1983, under arrangements in force at the date hereof, are expected to be £87,000. This figure comprises fees to Directors, emoluments in respect of the services of Mr. A. L. Helman and per diem fees in respect of ad hoc services provided by Mr. C. G. Southgate at the request of the Board.

6. Other significant interests

The Directors were aware of the following interests in excess of 5% in the share capital of the Company immediately prior to this Offer for Sale:

	% Shareholding
BOC	40.36
Lazards	10.02
The Prudential Corporation plc	7.40

In addition the Company has been notified that the following companies all of whom are managed by Touche, Remnant & Co. are together interested in 13.93% of the issued share capital of the Company:

The Bankers' Investment Trust PLC
TR Australia Investment Trust PLC
TR City of London Trust PLC
TR Industrial and General Trust PLC
TR Natural Resources Investment Trust PLC
TR North America Investment Trust PLC
TR Pacific Basin Investment Trust PLC
TR Property Investment Trust PLC
TR Technology Investment Trust PLC
TR Trustees Corporation PLC

Each of the foregoing percentage holdings will be reduced by approximately 15% thereof following the Offer for Sale.

The Directors are not aware of any other shareholdings which, following the Offer for Sale, will represent 5% or more of the issued Ordinary Shares.

7. Vending and Underwriting Agreement

By an agreement dated 22nd March, 1983 (the "Agreement") between (1) the Company, (2) BOC (Europe) Investments Limited, The Bankers' Investment Trust PLC, TR Australia Investment Trust PLC, TR City of London Trust PLC, TR Industrial and General Trust PLC, TR Natural Resources Investment Trust PLC, TR North America Investment Trust PLC, TR Pacific Basin Investment Trust PLC, TR Property Investment Trust PLC, TR Technology Investment Trust PLC, TR Trustees Corporation PLC, Lazard Brothers & Co., Limited, Lazard Investments Limited, The Prudential Assurance Company Limited, Airways Pension Fund Trustees Limited, Commercial Union Assurance Company plc, Williams & Glyn's Bank plc, N. C. Lombard Street Nominees Limited, The Church Commissioners for England, The Public Trustee, Phildrew Nominees Limited, Hoare Govett Limited, K. S. Feldman and M. H. Rose (the "Vendors"), (3) The BOC Group plc, (4) Paul Graham Bosonnet, Colin Grieve Southgate, Anthony Lawrence Helman, David Spencer Enock, James Dundas Hamilton, Peter Kysel, David William Norman Pitts and Dennis Arthur Roberts (the "Directors") and (5) Lazard Brothers & Co., Limited ("Lazards"), conditionally upon the Ordinary Share capital of the Company issued and now being issued being admitted to the Official List no later than 6th April, 1983, Lazards agreed to purchase from the Vendors the rights to and to subscribe for 1,525,650 Rights Issue Shares (as defined in paragraph 1(4) of this Appendix) and to purchase from the Vendors the Bonus Issue Shares (as defined in paragraph 1(6) of this Appendix) and to offer the aggregate of such Rights Issue Shares and Bonus Issue Shares for sale on terms that Lazards will pay 147p per share to the Company in respect of the Rights Issue Shares and will pay any excess of the price per share obtained under this Offer for Sale for those shares over and above the rights issue price to the Vendors and will pay to the Vendors the total price per share obtained under this Offer for Sale in respect of the Bonus Issue Shares less the commissions and fee described below. Under this Agreement warranties and an indemnity were given to Lazards by the Directors and the Vendors respectively and the Vendors agreed to indemnify the Company against certain charges to taxation. The Company has agreed to pay to Lazards in respect of the Rights Issue Shares to be subscribed by Lazards and the Vendors have agreed to pay to Lazards in respect of the Bonus Issue Shares a commission at the rate of 2% of the minimum tender price per share. Out of this Lazards will pay an underwriting commission at the rate of 1¼% of the minimum tender price, a fee to Cazenove & Co. as brokers to the Offer for Sale, and its own legal expenses. The Company has agreed to pay all other costs and expenses of and incidental to the Offer for Sale and the application for admission to the Official List, including the expenses of printing and advertising this Prospectus, capital duty, a fee to Lazards of £50,000, the fees and expenses of the Reporting Accountants and its own legal expenses.

8. Material contracts

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by the Company and its subsidiaries since 21st March, 1981 and are or may be material:

(1) Deed of Release and Agreement dated 25th January, 1982 between the Company, Datastream and NRDC concerning termination of the arrangements between those parties.

(2) The Agreement described in paragraph 7 above.

9. Taxation

The Company has not since its incorporation been a close company, as defined by Section 282 of the Income and Corporation Taxes Act 1970, and following the Offer for Sale will not be a close company.

No clearance under Section 464 of the Income and Corporation Taxes Act 1970 has been obtained in connection with the Offer for Sale. The Company has been advised that no such clearance is required.

10. Principal premises

Description	Tenure	Area
Monmouth House, 58-64 City Road, London EC1Y 2AL	Leasehold Title Absolute — 25¼ years from 25th March, 1980, at a current annual rent of £360,000, subject to upwards review on 24th June, 1985 and at 5 yearly intervals thereafter.	41,310 square feet

By an Underlease dated 10th December, 1980, Datastream sub-let part of the third and the entire fourth floor of Monmouth House (9,650 square feet) for 14 years (less 3 days) from 29th September, 1980 at an annual rent of £92,000, subject to upwards review on 24th June, 1985 and 24th June, 1990, and a variable service charge.

11. General

(1) The Company and its subsidiaries are not engaged in any material litigation or arbitration and, so far as the Directors are aware, no litigation or claims of material importance are pending or threatened against the Company or any of its subsidiaries.

(2) The Directors are of the opinion that taking into account the proceeds of issue of the Rights Issue Shares and existing bank facilities the Company and its subsidiaries will have sufficient working capital for their present requirements.

(3) The expenses of the Offer for Sale and application for listing, including capital duty, professional fees and printing costs, payable by the Company, are expected to amount to £330,000.

The net amount to be received by the Company in respect of the proceeds of the sale of the Rights Issue Shares comprised in this Offer for Sale, whatever the Striking Price, will be approximately £1,912,705.50.

The minimum amount which, in the opinion of the Directors, must be raised by the issue of the Rights Issue Shares comprised in this Offer for Sale to provide for the matters specified in paragraph 4(a) of Part I of the Fourth Schedule to the Companies Act 1948 is as follows — (i) nil, (ii) nil, (iii) nil and (iv) £1,912,705.50.

(4) Price Waterhouse and Lazards have given and have not withdrawn their respective written consents to the issue of this Prospectus with the inclusion herein, in the case of Price Waterhouse, of their report and, in the case of both, of their respective letters and of the references to them in the form and context in which they respectively appear.

(5) The documents attached to the copies of this Prospectus delivered to the Registrar of Companies for registration were copies of the forms of application, the statement of Price Waterhouse setting out the adjustments made in arriving at the figures contained in their Report (as set out herein) and giving the reasons therefor, the written consents of Price Waterhouse and Lazards and copies of the material contracts listed in paragraph 8 above.

(6) Mr. D. A. Roberts, a Director of the Company, is a Director of Lazards which, as stated in paragraph 7 of this Appendix, will receive underwriting commission and a fee in respect of this Offer for Sale and is a Vendor of Rights Issue Shares and Bonus Issue Shares.

(7) Out of the finance lease commitments of £1,050,000 outstanding on 28th February, 1983, £709,287 related to leases with a subsidiary of Lazards.

(8) Lazards was incorporated in England as a private company on 30th December, 1919. Its registered number is 162175 and its registered office is at 21 Moorfields, London EC2P 2HT.

12. Documents available for inspection

The Vending and Underwriting Agreement and copies of the following documents will be available for inspection at the offices of Herbert Smith & Co., Watling House, 35-37 Cannon Street, London EC4M 5SD during normal business hours on any week day (Saturdays and public holidays excepted) for a period of 14 days from the date of this Prospectus:

(1) the Memorandum and Articles of Association of the Company;

(2) the audited accounts of the Company for the two years ended 30th June, 1982;

(3) the material contract referred to in paragraph 8 (1) above;

(4) the Report of Price Waterhouse and the statement of adjustments relating thereto; and

(5) the letters and written consents referred to in paragraph 11(4) above.

Dated 22nd March, 1983

PROCEDURE FOR APPLICATION

1. Applications must be made on the accompanying application form at the minimum tender price of 180p per share or at any higher price per share being a whole multiple of 5p.
2. Applications must be for a minimum of 250 shares and thereafter for the following multiples of shares: in multiples of 250 shares up to 2,000 shares, in multiples of 500 shares up to 10,000 shares, in multiples of 1,000 shares up to 25,000 shares and in multiples of 5,000 shares thereafter.
3. Applications must be lodged with Barclays Bank PLC, New Issues Department, P.O. Box 123, Fleetway House, 25 Farringdon Street, London EC4A 4HD, or posted so as to arrive in either case not later than 10.00 a.m. on Tuesday, 29th March, 1983 (being the time of opening of the application list).
4. Each application must be accompanied by a separate cheque or banker's draft drawn in sterling on a branch in England, Scotland or Wales of a bank which is either a member of the London or Scottish Clearing Houses or which has arranged for its cheques to be cleared through the facilities provided for the members of those Clearing Houses (and which must bear the appropriate sorting code number in the top right hand corner) made payable to "Barclays Bank PLC" and crossed "Not Negotiable", representing payment in full at the application price. The right is reserved to present all cheques for payment and to retain Letters of Acceptance and surplus application money pending clearance of the successful applicants' cheques and to reject any application in whole or in part and in particular multiple or suspected multiple applications. Due completion and delivery of an application form accompanied by a cheque will constitute a representation that the cheque will be honoured on first presentation; attention is drawn to the declaration in the application form to that effect. Applications will be irrevocable until 6th April, 1983. Photostat copies of application forms will not be accepted.
5. No person receiving a copy of this Prospectus or an application form in any territory other than the United Kingdom may treat the same as constituting an invitation to him, nor should he in any event use such form unless in the relevant territory such an invitation could lawfully be made to him or such form could lawfully be used without contravention of any registration or other legal requirements. Any person outside the United Kingdom wishing to make an application hereunder should satisfy himself as to observance of the laws of any relevant territory, including obtaining any requisite governmental or other consents or observing any other requisite formalities.

Basis of acceptance

Applications complying with the above procedure will be dealt with on the following basis:

1. All shares for which applications are wholly or partly accepted will be sold at the same price (the "Striking Price"), which will be not less than the minimum tender price of 180p per share.
2. If applications are received for more than the total number of shares offered, the Striking Price will not exceed the highest price at which sufficient applications (including applications at above that price) are received for the total number of shares offered but may be a price lower than such highest price. If applications are received for less than the total number of shares offered, the Striking Price will be the minimum tender price of 180p per share. Subject to the foregoing, Lazards will have complete discretion in deciding the Striking Price and the basis of allocation. In so deciding, Lazards will have regard to the need to establish a satisfactory market in the shares, for which purpose a reasonable number of shareholders is required. No allocation will be made in respect of applications, whether preferential or otherwise, at prices below the Striking Price.
3. Up to 199,411 shares which will be allocated at the Striking Price are reserved in the first instance for applications from employees and executive directors of the Company and its subsidiaries. Such applications must be made on the special pink application forms which are being made available to such employees and executive directors. They will be permitted to apply at the Striking Price (rather than tendering a specific price) stating a maximum aggregate purchase price and, if they wish, a maximum Striking Price. In the event of excess applications being received from employees, the basis of allocation among them will be determined by Lazards, at its discretion.
4. The Offer for Sale by tender is conditional on the whole of the share capital of the Company, issued and now being issued, being admitted to the Official List of The Stock Exchange not later than 6th April, 1983 (or such later date as may be agreed between the Directors and Lazards). Money paid in respect of all applications will be returned if such listing is not granted and in the meantime will be retained by Barclays Bank PLC in a separate account.
5. The Striking Price and the basis of allocation will be announced on or as soon as possible after 29th March, 1983. Renounceable Letters of Acceptance are expected to be despatched by 5th April, 1983. If any application is not accepted, or is accepted for fewer shares than the number applied for, or is accepted at a lower price than that tendered, the application money or the balance of the amount paid on application will be returned by cheque through the post at the applicant's risk.
6. Letters of Acceptance will be renounceable up to 3.00 p.m. on 6th May, 1983. The shares now being offered for sale will be registered free of stamp duty in the names of the purchasers or persons in whose favour Letters of Acceptance have been renounced, provided that, in the case of renunciation, Letters of Acceptance duly completed in accordance with the instructions contained therein are lodged for registration at or before 3.00 p.m. on 6th May, 1983. Share certificates will be despatched by first class post on 27th May, 1983.
7. Dealings in the Ordinary Shares of the Company are expected to commence on Wednesday, 6th April, 1983.

Copies of this Prospectus with application forms may be obtained from:

Lazard Brothers & Co., Limited, 21 Moorfields, London EC2P 2HT.

Cazenove & Co., 12 Tokenhouse Yard, London EC2R 7AN.

Barclays Bank PLC, New Issues Department, P.O. Box 123, Fleetway House, Farringdon Street, London EC4A 4HD.

and at the following branches of **Barclays Bank PLC:**

Birmingham: P.O. Box No. 34, 63 Colmore Row, Birmingham B3 2BY.
Bristol: P.O. Box No. 207, 40 Corn Street, Bristol BS99 7AJ.
Manchester: P.O. Box No. 357, 17 York Street, Manchester M60 2AU.
Edinburgh: 35 St. Andrew Square, Edinburgh EH2 2AD.

APPLICATION FORM

The application list for the Ordinary shares now offered for sale will open at 10.00 a.m. on Tuesday, 29th March, 1983 and may be closed at any time thereafter.

This form should be completed and forwarded to Barclays Bank PLC, New Issues Department, P.O. Box 123, Fleetway House, 25 Farringdon Street, London EC4A 4HD with a cheque representing payment in full at the application price, so as to arrive not later than 10.00 a.m. on Tuesday, 29th March, 1983. Cheques, which must be drawn on a bank in and be payable in England, Scotland or Wales, must be made payable to "Barclays Bank PLC" and be crossed "Not Negotiable", and are liable to be presented for payment on receipt. A separate cheque must accompany each application. No application will be considered unless these conditions are fulfilled.

Applicants are advised to use first class post and to allow at least two days for delivery.

DATASTREAM PLC

(Incorporated under the Companies Acts 1948 to 1967. No. 1213031)

Offer for Sale by Tender
by
Lazard Brothers & Co., Limited
of 1,994,114 Ordinary Shares of 5p each at a minimum tender price of 180p per share,
the price tendered being payable in full on application

*Applications must be for a minimum of 250 shares; applications for up to 2,000 shares must be in multiples of 250 shares, between 2,000 and 10,000 shares in multiples of 500 shares, between 10,000 and 25,000 shares in multiples of 1,000 shares, and above 25,000 in multiples of 5,000 shares.

**The price per share at which application is made must be indicated here and must be 180p or a higher price being a whole multiple of 5p.

*Number of shares for which application is made	**Price per share at which application is made	Amount of cheque enclosed
	p	£

To: LAZARD BROTHERS & CO., LIMITED

I/We enclose a sterling cheque payable to Barclays Bank PLC for the above mentioned sum being the amount payable in full on application for the stated number of shares in Datastream PLC (the "Company") at the price per share indicated above and I/we offer to purchase that number of shares and I/we agree to accept the same or any smaller number in respect of which this application may be accepted at the Striking Price upon the terms of the Prospectus dated 22nd March, 1983 and subject to the Memorandum and Articles of Association of the Company. I/We request that you send to me/us a fully paid renounceable Letter of Acceptance in respect of such shares, together with a cheque for any amount overpaid, by post at my/our risk to my/our address first given below.

In consideration of Lazard Brothers & Co., Limited agreeing to accept applications upon the terms and subject to the conditions of the said Prospectus for an aggregate number of 1,994,114 shares of the Company I/we agree that this application shall be irrevocable until 6th April, 1983 and that this paragraph shall constitute a collateral contract between me/us and Lazard Brothers & Co., Limited which shall become binding upon despatch by mail or delivery of this application form to Barclays Bank PLC duly completed.

I/We understand that the completion and delivery of this application form accompanied by a cheque constitutes a warranty that the cheque will be honoured on first presentation. I/We acknowledge that renounceable Letters of Acceptance and cheques for excess application money are liable to be held pending clearance of applicants' cheques.

Dated............... March, 1983   1. Signature..............................

Please use Block Capitals

Forename(s) (in full)
Surname and designation (Mr., Mrs., Miss or Title)
Address (in full)

(In the case of joint applications all further applicants must sign and complete below.)

Please pin your cheque here

2. Signature ....
Please use Block Capitals
Forename(s) (in full) .... Surname and designation (Mr., Mrs., Miss or Title) ....
Address (in full) ....

3. Signature ....
Please use Block Capitals
Forename(s) (in full) .... Surname and designation (Mr., Mrs., Miss or Title) ....
Address (in full) ....

4. Signature ....
Please use Block Capitals
Forename(s) (in full) .... Surname and designation (Mr., Mrs., Miss or Title) ....
Address (in full) ....

A Corporation should sign under the hand of a duly authorised official who should state his representative capacity.
If this form is signed under a Power of Attorney, such Power of Attorney must accompany this form.
No receipt will be issued for the payment on application, but an acknowledgement will be forwarded through the post in due course, either by a fully paid Letter of Acceptance for all or part of the shares applied for and a cheque for any surplus application money, or by the return by cheque of the application money, in each case at the risk of the applicant(s).

AUTHORISED UNIT TRUSTS

FT UNIT TRUST INFORMATION SERVICE

INSURANCES

TRADED OPTIONS

EUROPEAN OPTIONS EXCHANGE

Series		June Vol.	June Last	Sept. Vol.	Sept. Last	Dec. Vol.	Dec. Last	Stock
D/FL C	F.265	33	8	10	9	—	—	F.271.95
D/FL C	F.270	8	5.50	—	—	—	—	"
D/FL C	F.275	1	3.80	2	4	—	—	"
D/FL C	F.280	22	2.20	—	—	—	—	"
D/FL P	F.260	4	5	2	6.50	—	—	"
D/FL P	F.265	15	5.50	5	8.50	—	—	"
D/FL P	F.270	7	8	—	—	—	—	"
		May		Aug.		Nov.		
GOLD C	$350	12	70 B	—	—	—	—	$410.50
GOLD C	$400	6	33	—	—	—	—	"
GOLD C	$425	52	17.50	19	35	14	50	"
GOLD C	$450	107	8.50	15	24	15	33	"
GOLD C	$475	74	5.50	6	18	3	30	"
GOLD C	$500	100	3.50	25	11	86	17	"
GOLD C	$550	163	2	66	6	26	10	"
GOLD P	$350	30	4	—	—	—	—	"
GOLD P	$375	85	9	—	—	—	—	"
GOLD P	$400	48	15	21	23	1	25	"
GOLD P	$425	11	26	—	—	13	34	"
GOLD P	$450	8	44	6	48	1	51	"
GOLD P	$475	15	70	—	—	2	66	"
GOLD P	$500	10	94	3	91 B	—	—	"
12¼ NL 81 87-91								
C	F.127.50	7	6.30	2	6.70	—	—	F.134.20
C	F.130	17	4	10	4.30	6	6.30	"
C	F.135	20	1	—	—	5	2.80	"
C	F.140	30	0.30	—	—	4	1.20	"
P	F.127.50	20	0.40	—	—	—	—	"
P	F.130	1007	0.70	—	—	—	—	"
10¾ NL 80 86-95								
C	F.112.50	2	2	—	—	—	—	F.114.70
11¼ NL 82 88-92								
C	F.117.50	20	0.60	—	—	—	—	F.116.20
P	F.115	—	—	—	—	100	1.80	"
P	F.117.50	4	2.50	—	—	—	—	"
10 NL 82-11 86-89								
C	F.107.50	5	3.60	—	—	—	—	F.111.30
7½ NL 82 89-93								
C	F.100	55	1.20	—	—	—	—	F.100.30
C	F.102.50	150	0.60	—	—	—	—	"
P	F.100	—	—	50	1.80	—	—	"
7¼ NL 83 87-90								
C	F.100	100	0.30	—	—	—	—	F99.80
P	F.100	—	—	—	—	2	2.50	"
		April		July		Oct.		
AKZO C	F.40	78	14.50	—	—	—	—	F.54.80
AKZO C	F.45	—	—	—	—	100	11	"
AKZO C	F.50	49	5.40	52	7.50	—	—	"
AKZO C	F.55	—	—	159	5.20	—	—	"
AKZO C	F.60	—	—	98	2.80	245	4.50	"
AMRO C	F.50	—	—	47	7.80 A	—	—	F.56.70
AMRO C	F.55	44	3	—	—	73	6 B	"
AMRO C	F.60	—	—	40	2.30	—	—	"
AMRO P	F.50	—	—	50	0.60	—	—	"
AMRO P	F.55	250	0.80	—	—	—	—	"
HEIN C	F.130	64	1.20	—	—	—	—	F.123.70
HOOG C	F.25	—	—	47	2	—	—	F.25.30
KLM C	F.170	131	4.20 A	—	—	—	—	F.165
KLM P	F.110	47	0.20	—	—	—	—	"
KLM P	F.150	155	1.40	—	—	—	—	"
KLM P	F.160	58	4	—	—	—	—	"
NEDL P	F.90	—	—	37	3 B	—	—	F.101.70
PHIL C	F.27.50	113	14	40	13.90 B	—	—	F.41.50
PHIL C	F.30	100	11.50	151	11.50 B	35	11.50	"
PHIL C	F.32.50	18	9 B	87	9	11	9	"
PHIL C	F.35	415	6.60	346	7.10	64	8	"
PHIL C	F.40	1530	2.40	1829	4.50	886	5.60	"
PHIL C	F.45	—	—	993	2.10	650	3.60	"
PHIL P	F.40	130	0.70 A	236	2	93	2.60	"
PHIL P	F.45	—	—	80	4.70	—	—	"
RD C	F.90	109	14.10	15	14.50	—	—	F.103.60
RD C	F.100	824	5.10	242	7.40	110	9.60	"
RD C	F.110	818	1.30	504	3.60	251	4.90	"
RD P	F.100	358	1.20	87	4.80	13	6.50 B	"
UNIL C	F.200	46	13.80	133	19	1.01	23	F.213
UNIL C	F.220	185	3.70	55	9.20	10	14 B	"
UNIL C	F.190	1	0.60	92	2.50	5	3	"
UNIL P	F.200	7	1	41	5.40	—	—	"
		May		Aug.		Nov.		
SIEM C	DM300	50	4	—	—	—	—	DM318.30
VEBA C	DM140	50	20	—	—	—	—	DM158.78

TOTAL VOLUME IN CONTRACTS 17,685

A=Asked B=Bid C=Call P=Put

LONDON TRADED OPTIONS

Option		Calls April	Calls July	Calls Oct.	Puts April	Puts July	Puts Oct.
BP (USP 322)	260	64	—	—	1	—	—
"	280	44	—	—	2	—	—
"	300	26	40	48	5	13	20
"	330	5	20	26	18	35	32
"	360	2	9	—	40	44	—
CGF (USP 482)	390	2	102	—	1½	9	—
"	420	65	75	—	2	24	—
"	460	32	52	65	11	42	30
"	500	10	32	42	32	77	52
"	550	4	18	25	72	127	80
"	600	2	8	12	—	—	130
CTD (USP 91)	70	22	24	26	1	2	3½
"	80	13	14	16	1½	4	6
"	90	4	7	10	3	7	9
"	100	2½	4	6	10	14	16
CUA (USP 127)	120	10	16	—	2	4	—
"	130	4	10	15	8	10	12
"	140	1½	5	8	16	19	20
"	160	1	2	4	35	37	38
GEC (USP 204)	180	26	34	42	1½	5	8
"	197	11	—	—	6	—	—
"	200	—	18	25	—	11	16
"	217	3	—	—	20	—	—
"	220	—	11	17	—	24	32
"	237	1	—	—	38	—	—
"	240	—	6	—	—	43	—
"	260	½	4	—	60	60	—
GM (USP 332)	240	2	—	—	1	—	—
"	260	74	—	—	1	—	—
"	280	54	62	—	1	3	—
"	300	34	43	—	2	4	—
"	330	13	22	28	8	14	16
"	360	3	12	17	30	34	36
"	390	1	6	10	2	54	66
ICI (USP 396)	280	2	—	—	1	—	—
"	300	100	110	—	1	—	—
"	330	70	80	—	1	3	—
"	360	40	50	60	2	8	10
"	390	18	34	42	7	18	20
"	420	3	16	22	23	30	32
LS (USP 316)	240	2	—	—	1	—	—
"	260	58	63	68	1	3	—
"	280	38	43	48	2	5	9
"	300	18	27	34	4	11	14
"	330	5	12	19	19	24	27
M & S (USP 191)	160	35	—	—	1½	—	—
"	180	17	25	30	3	6	9
"	200	6	15	20	12	17	20
"	220	1½	6	10	28	30	33
"	240	1	2	—	49	51	—

Option		Calls Apr.	Calls Jul.	Calls Oct.	Puts Apr.	Puts Jul.	Puts Oct.
SHL (USP 456)	360	78	—	—	—	—	—
"	390	48	58	64	1½	4	8
"	420	24	36	44	6	12	18
"	460	5	16	24	28	34	40

Option		Calls May	Calls Aug.	Calls Nov.	Puts May	Puts Aug.	Puts Nov.
BBL (USP 456)	360	105	113	—	1	2	—
"	390	75	85	—	2	3	—
"	420	47	57	70	3	9	13
"	460	22	32	43	15	23	35
"	500	7	17	33	45	50	58
IMP (USP 111)	90	24	—	—	1	—	—
"	100	15	—	—	2	—	—
"	110	8	13	18	5	7	8
"	120	4	7	10	11	13	15
"	130	1½	4	6	20	21	22
LMO (USP 229)	220	27	35	47	10	20	30
"	240	16	25	37	19	30	37
"	260	8	16	29	33	42	47
"	280	4	10	18	55	60	65
"	300	1½	5	—	75	75	—
"	330	1	3	—	105	105	—
"	360	1	—	—	135	—	—
"	390	1	—	—	165	—	—
LNR (USP 83)	80	7	9	12	3½	5	6½
"	90	2½	5	7	10	12	13
"	100	0¾	2½	3½	20	22	25
P & O (USP 143)	100	46	46	—	0½	1	—
"	110	36	36	—	1	2	—
"	120	26	26	27	1	5	8
"	130	17	19	21	3	7	11
"	140	10	13	16	5	12	16
"	160	2¼	5	8	19	26	27
RCL (USP 436)	420	28	44	58	13	16	22
"	460	10	22	30	35	40	48
"	500	4	10	17	72	72	77
"	550	2	4	—	122	122	—
"	600	1	2	—	172	172	—
"	650	1	—	—	222	—	—
RTZ (USP 512)	390	125	—	—	1	2	—
"	420	95	100	—	2	—	—
"	460	62	74	—	6	13	—
"	500	36	50	63	21	37	48
"	550	10	23	35	50	57	70
VRF (USP 595)	50	—	—	—	1	—	—
"	55	—	—	—	1	—	—
"	60	—	—	—	1	—	—
"	70	2	—	—	1	—	—
"	80	2	—	—	3½	—	—
"	90	10	15	17	7	9½	12
"	100	6	10	12½	12	15	16½
"	110	2½	6½	9	17½	19½	22½
"	120	1½	4½	6½	25½	26	27
"	130	0¾	2½	5	35½	—	37
"	140	0¾	1¾	3	—	—	—

Mar. 23 Total Contracts 865 Calls 351 Puts 514

هكذا اصل الأصل

INSURANCE & OVERSEAS MANAGED FUNDS

London Aberdeen & Nthn. Mtl. Assur. Ltd.
129 Kingsway, London, WC2B 6NF. 01-404 0393

'Asset Builder'	63.0	66.3		—

London Indemnity & Gnl. Ins. Co. Ltd
18-20, The Forbury, Reading 583511

Money Mngr Mar 23	58.7	61.2		—
MM Flexible Mar 3	47.7	50.3		—
Fixed Interest Mar 1	52.3	55.1		—

London Life Linked Assur. Ltd.
100, Temple St., Bristol, BS1 6EA 0272-279179

Equity	234.8	221.2		—
Fixed Interest	155.9	156.4		—
Property	259.0	263.7		—
Deposit	138.1	138.1		—
Mixed	181.9	185.5		—
Indexed Stk.	113.8	114.3		—

London Life Managed Funds Ltd.

Equity (P.)	150.3	155.5		—
Fixed Int. (P.)	157.5	158.6		—
Property (P.)	116.9	120.9		—
Deposit (P.)	115.6	115.5		—
Mixed (P.)	142.8	145.5		—
Indexed Stock (P.)	119.9	120.7		—

London & Manchester Gp.
Winslade Park, Exeter EX5 1DS. 0392 52155

Invest. Tst. Fd. Cap.	268.4	—	+0.3	—
Invest. Tst. Fd. Acc.	277.9	—	+0.3	9.0
Property Fund Cap.	116.1	—		—
Property Fund Acc.	120.1	—		3.4
Flexible Fund Cap.	174.0	—	+0.8	—
Flexible Fund Acc.	179.9	—	+0.9	2.9
Fixed Int. Fd. Cap.	134.8	—	+0.6	—
Fixed Int. Fd. Acc.	139.7	—	+0.6	—
Gtd. Deposit Fd. Cap.	137.2	—		—
Gtd. Deposit Fd. Acc.	141.8	—		—
Equity Fund Cap.	137.9	—	+1.4	—
Equity Fund Acc.	142.7	—	+1.5	—
International Fd. Cap.	134.1	—	+0.1	—
International Fd. Acc.	138.2	—	+0.1	—
Capital Gwth. Fd.	394.1	—	+1.7	—
Moneymaker Fund	158.1	—	+0.7	—

Property Growth Assur. Co. Ltd.
Leon House, Croydon CR9 1LU. 01-680 0606

Property Fund		282.0		—
Property Fund (A)		274.8		—
Agricultural Fund		1052.7		—
Agric. Fund (A)		1026.8		—
Abbey Nat. Fund		223.2		—
Abbey Nat. Fd. (A)		222.4		—
Investment Fund	130.1	—	−0.1	—
Investment Fund (A)	128.3	—	−0.1	—
Equity Fund	387.1	—	−1.3	—
Equity Fund (A)	380.9	—	−1.3	—
Money Fund		207.4		—
Money Fund (A)		203.9		—
Actuarial Fund		201.0		—
Gilt-edged Fund	181.5	—	−1.2	—
Gilt-Edged Fd. (A)	181.5	—	−1.2	—
Retire Annuity		342.7		—
Immed. Ann'ty		194.0		—
International Fd.	240.1	—	+3.8	—

Property Gth Pens & Annuities Ltd

All Weather Ac. Uts.	237.4	250.0		—
Inv. Fd. Uts.		266.8		—
Pension Fd. Uts.		238.0		—
Conv. Pens. Fd.		268.8		—
Cnv. Pns. Cap. Ut.		205.5		—
Man. Pens. Fd.		307.5	−2.5	—
Man. Pens. Cap. Ut.		244.0	−2.0	—
Prop. Pens. Fd.		267.6		—
Prop. Pens. Cap. Uts.		207.2		—
Bldg. Soc. Pen. Ut.		238.3		—
Bldg. Soc. Cap. Ut.		186.9		—
Gilts Pens. Fd.	157.7	—	−0.9	—
Gilts Pens. Fd. Cap.	140.8	—	−0.9	—
Equity Pens. Fd.	231.9	—	−1.8	—
Equity Pens. Fd. Cap	207.3	—	−1.7	—

Providence Capital Life Assc. Co. Ltd.
30 Uxbridge Road, W12 8PG. 01-749 9111

Equity Acc.	96.5	101.8	−0.1	—
Fixed Interest Acc.	88.3	93.2	−0.6	—
Intnl Acc.	77.1	81.4	+1.2	—
Managed Acc.	86.8	91.5	+0.2	—
Property Acc.	107.2	113.1		—

OFFSHORE AND OVERSEAS

Westaven Secs. (Guernsey) Ltd
PO Box 214, St Peter Port, Guernsey 0481 27768

Gilt & Option Fd.	100	105		3.00
US $ Option	95.0	100.0		—

World Wide Growth Management♦
10a, Boulevard Royal, Luxembourg

Worldwide Gth Fd	$12.00	—	+0.05	—

Inv. Adv: M. & G. Inv Mngt., Ltd., London.

Wren Commodity Management Ltd.
10, St. George's St., Douglas IoM 0624 25015

Wren Com. Fund	36.7	38.2		3.10
Chinese Fund	79.9	83.2		1.70
Precious Metal Fund.	122.3	127.4		8.30
Vangaurd Cmdy. Fd.	43.0	44.0		2.26
Financial Futures Fd.	116.6	121.4		—
Wren Intl. Fnd *	$0.941	0.979		—

NOTES

Prices are in pence unless otherwise indicated and those designated $ with no prefix refer to U.S. dollars. Yields % (shown in last column) allow for all buying expenses. a Offered prices include all expenses. b Today's prices. c Yield based on offer price. d Estimated. g Today's opening price. h Distribution free of UK taxes. p Periodic premium insurance plans. s Single premium insurance. x Offered price includes all expenses except agent's commission. y Offered price includes all expenses if bought through managers. Z Previous day's price. ¶ Guernsey gross. # Suspended. ♦ Yield before Jersey tax. † Ex-subdivision. ‡‡ Only available to charitable bodies. ♦ Yield column shows annualised rate of NAV increase.

INTERNATIONAL CAPITAL MARKETS

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. For further details of these or other bonds see the complete list of Eurobond prices published on the second Monday of each month. The following are closing prices for March 23.

U.S. DOLLAR STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Amax O/S Fin 14¼ 89	75	112	112½	0	−0⅛	11.34
Amro Bank 13 89	200	104⅞	105⅜	0	−0⅛	11.80
BHP Finance 14¾ 89	150	108½	109	−0⅛	−0¼	12.59
British Col Hyd 15¼ 92	150	117	117½	0	−0½	12.04
Canada 14⅞ 87	750	110½	111	+0⅛	−0⅛	11.82
Canadair Ltd 12½ 89	175	104½	105	0	−0⅛	11.41
Canadian Wheat 11¼ 90	50	100¼	100⅝	0	−0⅜	11.15
Can Pac Ltd 14⅝ 92	75	110¾	111¼	−0⅛	−0¼	12.62
Can Pac Sec 15 89	75	109¼	110	−0⅛	−0⅜	12.88
Citicorp O/S 15 84/92	100	104½	105	0	−0¼	10.82
Coca Cola Int 8⅞ 92	100	24¾	25¼	+0⅛	+0⅛	10.73
Coca Cola Int 11¾ 89	100	104¾	105¼	+0⅛	−0¼	10.62
Credit Suisse 10½ 89	100	100⅜	100⅞	−0⅛	−0¼	10.34
Deutsche Bk Fin 14¼ 89	300	110¾	111⅛	0	−0⅛	11.75
Du Pont 11¼ 95	150	101⅝	102⅛	+0⅛	+0⅜	10.96
Du Pont 14⅛ 89 WW	200	107½	108	+0⅛	+0⅛	12.27
E.D.C. 10¾ 88	100	99¾	100¼	0	+0⅛	10.73
E.D.F. 12¾ 87	150	103¼	103¾	−0⅜	−0⅜	11.67
E.E.C. 11½ 95	200	98¾	99¼	−0⅛	−0¼	11.65
E.I.B. 11 91	125	98	98½	+0⅛	+0¼	11.34
E.I.B. 15½ 92	100	113¾	114¼	0	−0⅜	12.80
Exp Dev Corp 11¾ 87	100	102¼	102¾	+0⅛	0	10.99
Forsmarks 13¾ 92	75	105½	105¾	−0⅛	−0⅛	12.68
Gaz de France 12¼ 93	175	19¾	20¼	0	+0⅛	12.24
[illegible]						
World Bank 10⅞ 88	150	98⅝	99⅛	0	+0⅛	10.67
World Bank 10⅞ 93	100	97½	98	0	−0⅛	11.26
World Bank 11⅛ 98	100	97¾	98¼	0	−0⅛	11.48

Av. price changes: on day 0, on week −⅛

DEUTSCHE MARK STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Aeroport Paris 8¼ 92	80	100⅜	100⅞	−0½	−1	8.14
Australia 8⅛ 93	200	98⅝	99⅛	−0⅛	−0⅛	7.93
Australia 7¾ 92	200	104¾	105¼	−0½	−0⅜	7.01
Bank of Tokyo 7¼ 90	100	100	100½	0	−0⅜	7.20
Bayer Capital 7⅝ 89	150	103⅛	103⅝	+0¼	+0⅛	6.94
Caisse Nat Energie 8 93	100	100¼	100¾	+0⅛	−0¼	7.92
Caisse Nat Tele 7¾ 93	200	97⅞	98⅜	+0⅛	−0⅜	8.03
E.C.S.C 7½ 93	150	98⅞	99⅜	−0⅛	0	7.82
E.E.C. 7¾ 95	200	99⅞	100⅜	0	−0⅛	7.73
E.E.C. 8 94	200	100⅞	101⅜	−0⅛	−0¼	7.84
Eurofima 7½ 91	100	100	100½	0	−0½	7.45
Ferrovie Dello 8⅜ 88	150	100⅞	101⅜	−0⅛	+0⅛	8.46
Gould Int Fin 8⅛ 89	75	102¼	102¾	−0¼	−0⅜	7.74
H.J. Heinz Int 6⅜ 88	50	99½	100	0	+0⅛	6.81
Int-Am Dev Bk 8¼ 93	150	100¾	101¼	−0¼	−0⅜	8.09
Ireland 8½ 90	150	101⅞	[illegible]	+0⅜	0	8.18
Ireland 8⅞ 91	150	102½	103	0	−1¼	8.37
ITT Antilles 7 93	200	97⅞	98⅜	−0⅛	−0½	7.27
McDonalds Fin 7⅛ 92	100	101	101½	0	+0¼	6.94
[illegible]						

SWISS FRANC STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
[illegible]						
Shikoku Elec Pow 5¾ 93	100	97¼	97½	−0¼	−0½	5.98
Tokyo Elec Power 5⅜ 92	100	101	101¼	−0⅛	−0⅛	5.71
Transcanada Pipe 5¾ 93	100	99	99¼	−0⅛	−1⅛	5.87
Union Bk Norway 5⅜ 93	60	97¼	97½	−0⅛	−1⅛	5.73
Volvo 5⅜ 91	80	100	100¼	−0⅜	−0½	5.35
World Bank 5½ 93	100	100¼	100½	0	−0⅜	5.45

Av. price changes: on day −⅛, on week −¼

YEN STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Australia 8⅝ 92	15	105⅝	106⅛	0	−0⅜	7.76
E.I.B 8¼ 92	15	102⅞	103⅜	0	−0⅛	7.83
Japan Airlines 7⅞ 87	9†	100½	101½	0	−0⅛	7.56
New Zealand 8⅛ 87	15	102½	103½	0	−0⅛	7.58
World Bank 8⅜ 92	20	103	104	0	−0⅛	7.82

Av. price changes: on day 0, on week ⅛

OTHER STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Can Utilities 17 87 CS	35†	113	114	0	−0⅛	12.73
Farm Credit 12⅛ 93 CS	50†	99½	100	0	0	12.17
Gaz de France 15 89 CS	75†	106¾	106¾	−0⅛	0	13.41
Gaz Metro 14½ 92 CS	40†	103¾	104¼	0	0	13.74
Pancanadian 12½ 93 CS	50†	97¼	97¾	0	−0¼	12.98
Quebec Hydro 14 92 CS	60†	106	106½	0	−0¼	12.80
Swed Exp CR 12¼ 88 CS	50†	100¼	100¾	−0⅜	−0¾	12.09
E.E.C. 11⅝ 93 ECU	50	98⅞	99⅜	−0¼	0	11.81
Elf Norge 11¾ 88 ECU	30	97⅞	98⅞	−0⅛	−0¼	12.20
Amfas 9½ 87 Fl	60	104¼	104¾	−0⅛	−0⅛	8.28
Austria 7½ 88 Fl	100	100	100½	−0⅜	−0½	7.43
Nederland Gas 7½ 88 Fl	100	100⅛	100⅝	0	−0⅜	7.41
Neder Midbk 9¼ 87 Fl	100	104½	105	−0⅛	−0⅜	7.99
Quebec Prov 7½ 88 Fl	100	98⅝	99⅛	−0⅛	−0¼	7.79
World Bank 7 88 Fl	150	98⅜	98⅞	−0⅛	−0⅜	7.34
O.K.B 14 88 FF	400	97⅝	98⅜	0	−0⅛	14.80
Solvay & Cie 14¾ 88 FF	200	97¼	98¼	−0⅛	−0½	15.74
B.F.C.E. 14½ 87 £	30	106⅜	107⅜	−0⅛	−0⅛	12.13
C.E.C.A. 13½ 88 £	20	104½	105½	0	−0⅛	12.17
[illegible]						

FLOATING RATE NOTES	Spread	Bid	Offer	C.dte	C.cpn	C.yld
[illegible]						
E.D.F 5⅛ 95 XW	0⅛	99½	99⅝	10/8	10	10.06
Kansallis Osake 5½ 92	0¼	99¼	99¾	6/5	10.06	10.11
Lloyds Eurofin 5¼ 93 $	0⅛	100⅛	100⅜	28/4	10.58	10.52
Long Term Cred 5¼ 92	0⅛	100	100¼	27/5	10⅛	10.11
J P Morgan 5¼ 97 $	0⅛	100	100½	12/5	9½	9.48
Nat West Fin 5¼ 91 $	0⅛	100⅛	100⅜	15/7	9¼	9.22
New Zealand 5¼ 87	0⅛	100¼	100⅜	7/4	12½	12.44
NZ Steel Dev 5¼ 92	0¼	100⅛	100⅜	22/8	10.19	10.15
Nippon Credit 5¼ 98	0⅛	100	100½	10/8	9⅞	9.85
Offshore Mining 5¼ 91	0¼	100	100½	2/6	10.44	10.41
Scotland Int 5¼ 92	0⅛	99¾	100	23/8	9.94	9.95
Sec Pacific 5¼ 91	0⅛	100⅛	100⅜	24/5	10.88	10.82
Societe Generale 5¼ 95	0¼	99½	99¾	1/8	9½	9.55
Standard Chart 5¼ 91	0⅛	99⅞	100⅛	18/5	10.69	10.67
Sweden 5¼ 93	0¼	99¼	99¾	3/8	10.19	10.24
Sweden 5¼ 89	0¼	99⅞	99⅞	26/8	9⅞	9.88

Av. price changes: on day 0, on week 0

CONVERTIBLE BONDS	Conv. date	Conv. price	Bid	Offer	Chg. day	Prem
Ajinomoto 5¼ 96	7/81	933	96⅛	98⅛	+2½	9.67
Bridgestone Tyre 5½ 96	3/82	470	102¼	103⅜	+0½	2.48
Canon 7 97	7/82	748.2	188¼	190¼	−2⅛	2.87
Fujitsu Fanuc 4½ 98	10/81	5814	104¾	106¾	+1⅜	18.92
Hitachi Cable 5½ 96	2/82	515	98½	100	+0⅜	10.85
Hitachi Credit Corp 5 98	7/81	1612	88⅞	90⅞	−0⅛	19.68
Honda Motor 5½ 97	3/82	759.6	116⅞	118⅞	−0⅜	2.94
Kawasaki 5¾ 98	9/81	229	80⅞	82⅜	+2⅜	22.23
Komatsu Gum 6½ 97	10/82	400	110⅜	111⅞	−1½	−0.84
Kyowa Hakko 6¼ 97	2/83	762	105⅞	107⅜	0	14.82
Marui 6 98	7/81	789.5	129	130½	+0⅞	8.88
Minolta Camera 5 98	10/81	826.4	72⅞	74¼	0	28.44
Murata 5¼ 96	7/81	1071	89¼	100⅜	−0⅜	16.70
Nippon Electric 5¼ 97	2/82	765.9	130⅞	131⅞	+1¼	5.37
Nippon Oil Co 5½ 98	4/83	984	96⅞	97⅞	+0⅜	7.82
Nissan Motor 5¼ 98	4/83	770	97	98	+0½	1.54
Olympus Optical 6¼ 97	12/82	1331	104¾	106¼	−0¼	4.23
Orient Finance 5¼ 97	3/82	1285	106⅜	106⅞	−0¼	5.61
Sumitomo Electric 5½ 97	3/82	577.3	100⅞	102⅞	−0¼	11.88
[illegible]						32.75
[illegible]						2.87
[illegible]						1.75
[illegible]						4.32
[illegible]						21.20
[illegible]						1.85

[illegible]

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Swiss market sees launch of bonds worth SwFr 90m

BY MARY ANN SIEGHART IN LONDON

THE TWO new issues in the international bond markets yesterday were in the Swiss sector: a SwFr 50m, four-year, 8¼ per cent bond from South African Transport Services, guaranteed by the Republic of South Africa and led by UBS; and a SwFr 40m, six-year convertible from Dainippon Screen, the Japanese optical firm, with an indicated coupon of 4 per cent, led by SBC. *Both private placements are priced at par.*

The Swiss market was also alone in seeing more than sluggish turnover. Secondary market prices rose

Fuji Electric's SwFr 100m, ten-year bond was given a coupon of 6 per cent at par by Banca del Gottardo.

The only recent new issue trading at a premium yesterday in the Swiss market was the SwFr 80m bond from Carlsberg-Tuborg, the Danish brewery giant. In its second day of trading, it was changing hands at a price of about 100%, against an issue price of 99%.

The Eurodollar market again saw no new issues, and for the tenth successive day there were no price gains. Prices of seasoned bonds closed unchanged in a day of extremely low turnover. One new issue manager remarked: "People don't even know whether it's worth coming into the office."

The German market was also quiet, with secondary market prices more or less unchanged.

N. Y. premium volume doubles

BY JOHN MOORE IN LONDON

THE premium volume of the Lloyd's style insurance market in New York – the New York Insurance Exchange – amounted to $156.4m in 1982 compared with $72.5m a year earlier.

Mr Donald E Reuershan, president of the market, said of the 115.7 per cent increase, "in every quarter in 1982 the premium volume written on the exchange doubled that of the corresponding previous quarter. This was contrary to the overall performance of the insurance industry which on the average registered modest gains in premium volume last year."

In 1982, the surplus position of the underwriting syndicates rose in total 25.8 per cent to $159m as at December 31, compared with $126.4m at the end of 1981. This included nine new syndicates which joined the exchange in 1982, bringing the total number of syndicate members to 35.

BUSINESS LAW

The long arm of the UK courts

BY A. H. HERMANN, Legal Correspondent

FREDDIE LAKER'S aircraft no longer cross the Atlantic. Instead, a flurry of injunctions is being exchanged across the ocean between Mr Justice Parker of the Queen's Bench Division of the High Court in London and Judge Greene of the U.S. District Court for the District of Columbia. The subject is an antitrust action brought by Laker Airways against a number of American and European airlines, alleging that these airlines conspired to drive him out of business by predatory pricing and by pressurising bankers to give up rescue attempts when he got into financial distress as a result.

The allegations are taken very seriously in the U.S. The Department of Justice empanelled a grand jury to determine whether there was a criminal case against the alleged conspirators. Some of these have, in the meantime, found shelter in London.

*

The Midland Bank*, British Airways, British Caledonian, Lufthansa and Swissair asked the High Court to protect them, by making a declaration that they were not liable to Laker in damages and by prohibiting Laker to proceed against them in a U.S. court before the issue of liability was decided in the UK. *Such injunctions* have already been granted to the three British companies, and hearings of the applications *made by Lufthansa and* Swissair continue this week, though even these two companies are already protected against U.S. counter-injunctions.

As a result, Laker could apply to Judge Greene for counter-*injunctions, prohibiting the* defendants from seeking shelter in London, only in respect of Sabena, KLM and the four U.S. companies involved, none of which has applied for an injunction in London so far.

A preliminary injunction† prohibiting the four American and two European airlines from securing High Court orders which would interfere with the *litigation pending in the U.S.* was granted by Judge Greene on March 9. The four American companies — Pan Am, TWA, McDonnell Douglas, and McDonnell Finance — will no doubt deny that they ever thought of seeking a British court's protection, and Sabena and KLM may well join them, but Judge Greene's Opinion (judgment) cannot be dismissed lightly. It must be seen as a vigorous protest against a foreign court's interference in a litigation proceeding in the U.S. and restraining Laker from attempting to obtain a counter-injunction that would prevent the defendants from proceeding with the British action.

High Court orders prohibiting Laker Airways from pursuing antitrust suits in the U.S. are being resisted by a U.S. judge and the Department of Justice

Judge Greene sees himself to be under attack. In the view established by the U.S. Supreme Court‡ over a century ago, there is no difference between *addressing an injunction* to the parties, and addressing it to the foreign court itself.

With raised eyebrows, Judge Greene said that the British court "apparently intends to decide issues of American antitrust law as well as of British *law," but his real attack is* aimed at the nationality jurisdiction assumed by the UK judge.

British protests against the U.S. claims of nationality jurisdiction—when UK subsidiaries of U.S. banks were ordered to *freeze Iranian assets*, and again in the Siberian pipeline affair—*are still fresh in the memory.* Judge Greene said there were "few instances where any court, either in the United States or in the United Kingdom, has asserted the power to enjoin its citizens from suing in the courts of another nation." If at all, courts might exercise such power only in the most extraordinary circumstances. He went on to show that there was nothing extraordinary about the suits brought in his court by Laker. "They are the garden-variety of antitrust suit, involving what is claimed to be a combination of American corporations and foreign corporations doing substantial business in the United States which allegedly committed anti-competitive acts."

Judge Greene concluded that "any decision which accepted the proposition that the court of the plaintiff's nationality may interfere with, and effectively halt, proceedings abroad in circumstances such as those involved here would set a far-reaching and dangerous precedent." The judge underlined the public policy content of the action — also evident from the involvement of the Department of Justice — when he said "... the Sherman Act has frequently been called the charter of economic freedom and its role has been compared with that which the Bill of Rights plays with respect to personal freedoms."

To Judge Greene the issue is a conflict between British nationality jurisdiction and the U.S. law and public policy. There is no doubt in his mind that the latter has greater weight where all the defendants are substantially engaged in doing business in the U.S. and certain acts of the alleged conspiracy took place in the U.S. Also, the alleged conspiracy was injurious to American consumers, depriving them of low transatlantic air fares.

Because of the differences between UK and U.S. law, to relegate Laker to British courts "would only be to ensure that those courts would issue the declaration of non-liability that the airlines which are already before the Queen's Bench are presently seeking." If the U.S. court would not issue an injunction, Laker would be irreparably injured. Sabena, on the other hand, stated that if "forced to defend itself against Laker's claim in the U.S., it will be exposed to the risk of enormous potential liability, the possible use of 'escalating settlement' tactics by the plaintiffs, substantial litigation expense, and a significant disruption of its affairs." This evoked little sympathy from Judge Greene. "If Sabena and KLM are concerned about the prospect of U.S. antitrust liability, they should not do business here." He found the balance of convenience to be clearly in favour of granting the injunction.

*

The U.S. judge could not do much at the time when the British court, "disregarding comity," issued the injunctions in respect of the British airline companies, but he would at least prevent the remaining defendants from having a foreign tribunal decide on his court's jurisdiction. He could not acquiesce in silence to a dissipation of Laker's Sherman Act rights.

Within the span of a few years the special U.S./UK relationship has been severely tested, first by the uranium litigation, then by the freeze of Iranian assets and the Siberian pipeline embargo. We can now expect another major upheaval triggered off by the Laker litigation. This puts in doubt the wisdom of pragmatists who stagger from one conflict to another, reluctant to accept a set of generally valid principles. For example, that if national jurisdiction is bad for the goose, then it is also bad for the gander.

* *FT Commercial Law Reports, February 8 1983.*
† *Opinion in Civil Action, Nos 82-3362 and 83-0418, unreported.*
‡ *Peck v Jenness, 48 U.S. (7 How.) 611, 624-625 (1849).*

SECTION III – INTERNATIONAL MARKETS

FINANCIAL TIMES

Thursday March 24 1983

U.S. stands firm on trade dispute with EEC, Page 43

WALL STREET

Inflation success brings surge

CONFIDENCE returned to Wall Street yesterday when the latest set of official statistics offered fresh evidence that inflation is being brought to heel at the same time as the industrial economy is expanding its recovery, *writes Terry Byland in New York.*

Buyers came into the credit markets and by the end of the session short-term yields had fallen by up to 20 basis points. In the share sectors, market indices moved up to the vicinity of their recent peaks. *Shares gained over a broad front,* with transportation and technology issues in demand.

Nervousness over a possible change of stance at the Federal Reserve was soothed by *news of a fall last month in* U.S. consumer prices. This was read as an indication that inflation is continuing to slow without any need for a tougher line by the Fed.

The Dow Jones Industrial Average surged forward at mid-session to pass its previous peak of 1141.74, recorded on March 7. But after touching 1143.96, the indicator slipped back as a few profit takers appeared, *to close at 1140.87*, a net gain on the day of 17.9. Turnover, of 95.1m shares traded, showed another increase although it remained at only about two thirds of peak levels. Share *gains of 1075 against losses of 511* clearly indicated the broad strength of the upturn.

Bond and Treasury bill prices were helped by a slight easing in the Federal Funds rate and by *market satisfaction* with the outcome of Tuesday's bill auction. At the short end of the bill market, yields were down by nine or more basis points yesterday.

The average yield of 10.30 per cent on the $5.5bn Treasury four-year notes – also auctioned on Tuesday – compared with 10.10 per cent the last time such dates came to auction and were favourably received in the market.

But with a substantial weight of official financing still in the pipeline for *this* week, *attention quickly switched to* prospects for yesterday's auction of $4.75bn of seven-year notes which traded on a when-issued basis at 10.56 per cent. The 20 year Treasury bonds due for sale today yielded a when-issued 10.19 per cent.

Both yields show only slight increases over previous levels, suggesting that retail demand may not be far below the surface of the market.

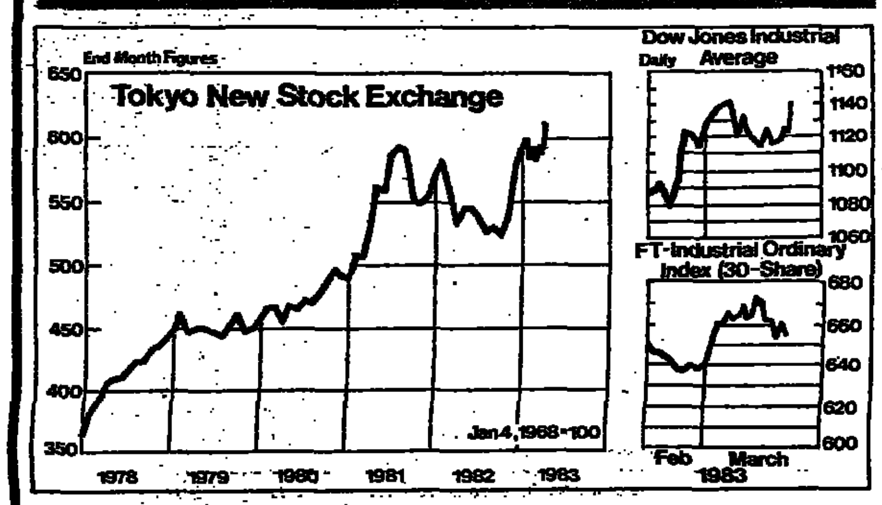
The Federal Funds rate, the principal interbank overnight rate, fell from Tuesday's average *8.84* per cent to *8¾* per cent, a welcome relief to the cost of carrying stock for the market firms. At this level the Fed arranged $2bn in customer repurchase agreements.

Three-month Treasury *bills shed 20* basis points to a discounted rate of 8.46 per cent, with six month bills similarly lower at 8.49 per cent. The benchmark long bond, the Treasury 10⅜ per cent 2012 was quoted at *97⅞* compared with Tuesday's close of 97¹/₁₆.

Oil share had another unsettled day. Exxon at $30, Standard Oil of California at $35 and Getty Oil at $53½ all showed *further falls, indicating market caution* over OPEC's chances of holding the line on its new price levels.

Declines in **Toronto** stocks focused on the golds. The oil and gas sector also turned weaker, but base metals and industrials held up better. Utilities showed the greatest resilience in a nervous **Montreal** market.

KEY MARKET MONITORS



STOCK MARKET INDICES

NEW YORK	March 23	Previous	Year ago
DJ Industrials	1140.87	1123.55	826.67
DJ Transport	513.90	508.18	339.34
DJ Utilities	126.29	125.69	108.49
S&P Composite	152.81	150.66	113.55
LONDON			
FT Ind Ord	654.3	660.4	562.6
FT-A All-share	410.29	411.46	326.04
FT-A 500	442.86	445.22	348.37
FT-A Ind	415.57	418.18	318.93
FT Gold mines	549.3	558.8	254.8
FT Govt secs	79.98	80.45	69.13
TOKYO			
Nikkei-Dow	8311.12	8281.59	7097.31
Tokyo SE	612.70	610.32	530.57
AUSTRALIA			
All Ord.	510.3	506.8	470.3
Metals & Mins.	472.0	464.2	332.3
AUSTRIA			
Credit Aktien	53.71	53.13	53.49
BELGIUM			
Belgian SE	112.51	111.80	95.02
CANADA			
Toronto Composite	2114.34	2110.4	1629.4
Montreal Industrials	357.04	357.02	286.32
Combined	351.05	350.55	273.94
DENMARK			
Copenhagen SE	131.84	132.29	94.91
FRANCE			
CAC Gen	111.20	111.10	102.2
Ind. Tendance	117.20	116.80	113.1
WEST GERMANY			
FAZ-Aktien	292.56	291.45	237.64
Commerzbank	882.0	879.70	723.9
HONG KONG			
Hang Seng	978.98	981.45	1221.18
ITALY			
Banca Comm.	214.33	214.71	208.39
NETHERLANDS			
ANP-CBS Gen	121.9	120.2	86.4
ANP-CBS Ind	104.5	103.0	70.4
NORWAY			
Oslo SE	149.29	149.2	102.94
SINGAPORE			
Straits Times	829.31	841.79	730.02
SOUTH AFRICA			
Golds	715.3	743.0	471.7
Industrial	832.2	832.9	575.9
SPAIN			
Madrid SE	112.73	112.03	124.51
SWEDEN			
J & P	1264.03	1301.0	606.05
SWITZERLAND			
Swiss Bank Ind	308.8	308.7	255.9
WORLD	Mar 22	Prev	Yr ago
Capital Int'l	164.1	163.5	131.9

GOLD (per ounce)

	March 23	Prev
London	$409.75	$420.75
Frankfurt	$410.50	$421.50
Zürich	$410.50	$421.50
Paris (fixing)	$410.57	$421.71
New York (March)	$417.90	$418.70

* Indicates latest pre-close figure

CURRENCIES

	U.S. DOLLAR March 23	U.S. DOLLAR Previous	STERLING March 23	STERLING Previous
£	1.4585	1.4720	–	–
DM	2.4250	2.4095	3.54	3.55
Yen	238.90	239.40	348¾	352¾
FFr	7.2675	7.2250	10.59½	10.62½
SwFr	2.0840	2.0735	3.04½	3.05½
Guilder	2.7150	2.6975	3.96	3.97
Lira	1441	1439	2101	2115½
BFr	47.92	47.54	69.90	69.90
C$	1.2275	1.2240	1.7900	1.8015

INTEREST RATES

	March 23	Prev
Euro-currencies (three month offered rate)		
£	10¹⁵⁄₁₆	10¹³⁄₁₆
SwFr	4	4
DM	4¹⁵⁄₁₆	4¹⁵⁄₁₆
FFr	19	19
FT London Interbank fixing (offered rate)		
3-month U.S.$	9¾	9⅝
6-month U.S.$	9⅞	9¾
U.S. Fed Funds	8¾	8⅝
U.S. 3-month CDs	9.15	9
U.S. 3-month T-bills	8.46	8.56

U.S. Treasury Bonds

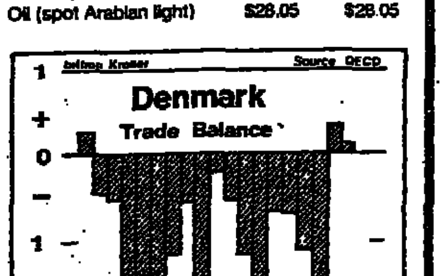
	March 23 Price	March 23 Yield	Prev Price	Prev Yield
9¾ 1985	99¹⁵⁄₃₂	9.84*	99¹⁵⁄₃₂	9.84
10½ 1990	99²⁴⁄₃₂	10.53*	99²⁴⁄₃₂	10.53
10¾ 1993	101¹⁷⁄₃₂	10.60*	101¹⁷⁄₃₂	10.60
10⅜ 2012	97²⁴⁄₃₂	10.61*	97⁴⁄₃₂	10.69

FINANCIAL FUTURES

CHICAGO	Latest	High	Low	Prev
U.S. Treasury Bonds (CBT) 8% 32nds of 100%				
June	76–16	76–18	75–26	75–16
U.S. Treasury Bills (IMM) $1m points of 100%				
June	91.42	91.45	91.34	91.30
Cert Deposit (IMM) $1m points of 100%				
June	90.73	90.74	90.62	90.57
LONDON				
Three-month Eurodollar $1m points of 100%				
June	90.37	90.38	90.23	90.28
20-year Notional Gilt £50,000 32nds of 100%				
June	102–17	102–30	102–01	103–08

LONDON COMMODITY MARKETS

	March 23	Prev
Silver (spot fixing)	700.55p	718.95p
Copper (cash)	£1054.50	£1054.00
Coffee (March)	£1895.00	£1831.00
Oil (spot Arabian light)	$28.05	$28.05



FAR EAST

Tokyo's blue chips take a back seat

A HEALTHY pointer to solidity in the rally being experienced by **Tokyo** stocks came yesterday in an improvement in trading volume, which picked up from 330m shares to some 400m. But set against this was a discernible shift away from blue chips as foreign and domestic institutions turned to hunt bargains among the laggards.

Prices overall were well supported, however, and the Nikkei-Dow Jones market average continued upward at record levels to finish at 8,311.12, ahead 29.53. The stock exchange index recorded its seventh successive gain, up 2.30 at 612.70.

The diverse list of strong issues showed Sapporo Brewery Y13 ahead at Y290, Banyu Pharmaceutical Y14 at Y707, Kawasaki Steel an active Y7 at Y163 and Fuji Photo Y12 at Y877. Textiles attracted an unusual amount of foreign interest.

Expectations of lower interest rates buoyed steel mills. Nippon Steel, the day's volume leader on 42.86m shares, encountered later profit-taking and finished Y1 up at Y171.

But the worst hit were Sony, down *Y50 to Y3,690; Victor, Y20 to Y2,450;* and Sharp, Y10 to Y1,310.

With the lower rates in prospect, brokers said a move was beginning out of interest-bearing investments, although government bond prices managed to hold broadly steady in light dealings.

Profit-taking continued actively but selectively in **Singapore**, taking the Straits Times industrial index 12.48 lower *to 829.31.*

Cement and construction issues, which have fared well in recent weeks, turned down, leaving Jurong with a 12 cent loss at S$4.80, Malayan Cement and *PMC with 10 cent setbacks each at a re*spective S$7.50 and S$6.15.

Casino operator Genting slipped 22 cents to S$3.60 after announcing the abandonment of an Australian venture. *Elsewhere Cycle and Carriage shed 19* cents to S$4.96 as takeover hopes dwindled. MUI, its reputed suitor, eased four cents to S$3.68.

The half-day midweek session in **Hong Kong** proved lacklustre as an extension of Tuesday's advance gave way on sporadic local selling. The Hang Seng index dipped 2.47 to 978.98.

Hongkong Wharf lost 15 cents to HK$ 3.50 but Swire Pacific A put on 40 cents to HK$11.70. Hongkong Land, rumoured *to have sold part of its 35 per cent stake* in Hongkong Telephone, firmed two cents to HK$4.07 while the telephone company advanced 75 cents to HK$36.50.

AUSTRALIA

Uneven rises

AN UNEVEN advance gave the best of the **Sydney** running to heavyweight mining stocks while energy and industrial issues showed only cautious gains.

MIM moved up 18 cents to A$4.30, Western Mining eight cents to A$4.18 and BHP six cents to A$6.36.

Melbourne was featured by a 50 cent *leap in retailer Grace Bros to A$3.30 af*ter Myer Emporium took a near-20 per cent stake. Myer firmed five cents to A$1.39.

SOUTH AFRICA

Golds suffer

GOLDS extended moderate losses throughout the day in **Johannesburg** as the bullion price contracted, leaving heavyweight Freguls R2 lower at R42.25 but sharper proportionate falls at the cheaper end of the market.

Blyvoors shed R1.50 to R14.50 and Bracken 40 cents to R3.35. Sympathy reactions by mining financials showed Anglo-American 45 cents off at R19.55, but De Beers improved 10 cents to R8.05.

Banks were hit by news that some are to offer interest on cheque accounts – to the probable short-term detriment of their profits. Nedbank fell 75 cents to R10 and Barclays National 50 cents to R14.

LONDON

Sentiment succumbs to sterling

STERLING continued to dominate sentiment in London financial centres, and yesterday's continuing slide in its rate against the U.S. dollar and most other major currencies led to a nervous trading session in stock markets.

Gilt-edged turned down again after Tuesday's rally, while the equity leaders eventually succumbed to a marked deterioration in the tone. Final quotations were at or around the day's lowest.

Continuing fears of an oil price war and uncertainty about the outcome of a parliamentary by-election today remained unsettling background influences. Selling of leading industrials was relatively light, but prices drifted lower as potential buyers showed a marked reluctance to commit fresh funds. After Tuesday's rally of 7.9, the FT Industrial Ordinary share index closed 6.1 down at 654.3.

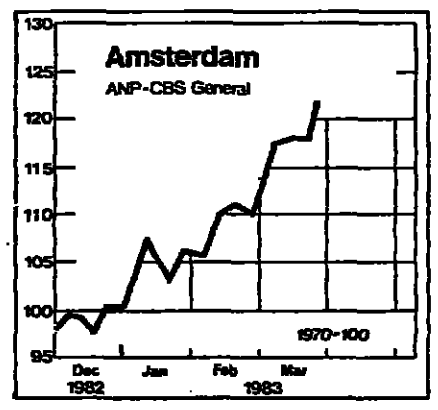
Of the index constituents, BICC in electricals recorded an above-average loss of 31p at 232p, accounting for around 2½ points of yesterday's index fall, following disappointing preliminary figures. Elsewhere, life insurance shares provided one of the few bright areas.

Gilt-edged securities met sellers in the wake of sterling's persistent weakness and continuing fears about a possible upward movement in U.S. short-term interest rates. Initial falls at the longend of the market were usually limited to a quarter, but these were extended to around a full point as the market became increasingly unwilling.

A technical rally in the afternoon left quotations with final losses extending to ¾ and occasionally more. The shorts followed a similar pattern, closing fractionally above the worst with falls to ⅜.

Bullion's failure to hold above the $420 level prompted a sharp downward reaction in gold shares. Nervous selling was soon followed by widespread international offerings. Heavyweights showed losses of around a point, common to Vaal Reefs at £65 and Western Holdings at £31½, while cheaper-priced issues were highlighted by Blyvoor, 59p off at 941p.

Platinums were supported following well-received half-year results from Rustenburg, which jumped 20p to 435p while Impala moved up 30p to 635p and Lydenburg *10p to 365p.* *Share information service, pages 44–45.*



EUROPE

Discount cut lifts Brussels

PRICES of domestic stocks moved sharply upwards in **Brussels** yesterday after the announcement of a three-point cut in the Belgian discount rate to 11 per cent.

Holding companies led the rally in lively trading which pushed the Belgian shares index up 0.71 to 112.51 at the close. Sofina gained BFr 80 to BFr 4,480, Société Générale rose BFr 30 to BFr 1,575 and Copeba finished BFr 25 ahead at BFr 2,390.

Further strong improvements were made by electricals – Electrobel adding BFr 200 to BFr 5,380 – and oils, chemicals and non-ferrous metals all registered worthwhile gains. Steel and related stocks were generally depressed, though: steel-maker Arbed shed BFr 38 at BFr 1,210.

Foreign stocks were mixed in moderate trading and the all-shares index slipped from 268.96 to 266.15.

In **Amsterdam** the general index rose *1.7* points to a record *121.9* on the back of brisk demand from abroad, notably the U.S. and West Germany.

Oce van der Grinten's forecast of satisfactory profits this year after a 44 per cent jump in earnings in 1982 prompted a Fl 0.5 gain to Fl 187.5. Among other leading gainers, distiller Bols put on Fl 5.20 at Fl 91.20 and transport and storge group Pakhoed rose Fl 2.40 to Fl 53.90.

Profit taking was evident in **Frankfurt**, chiefly among those sectors which had benefited most from the previous day's massive gains.

Volume remained heavy, but dealers reported a more evenly balanced buy-sell ratio, with selling activity showing up most strongly in motor and banking stocks. The Commerzbank index nevertheless registered a 2.3 point rise over Tuesday's 13 year high to close at 882. At closing the Frankfurter Allgemeine Zeitung 100 share indicator had edged 1.11 higher to a record 292.56.

D-Mark denominated bonds were again largely ignored as investor attention focussed on equities. Domestic bond prices slipped slightly for want of orders and against a stronger dollar. The Bundesbank bought DM 15.3m of public paper after purchasing DM 27.7m on Tuesday.

In **Zurich**, there was a surge in demand for Pargesa, a holding company which controls the Swiss end of the French Paribas banking empire and has a large stake in the Belgian Bruxelles Lambert group. Pargesa plans to raise its capital and may become more active in the U.S. It closed at SwFr 1,550, up SwFr 45.

Tuesday's government reshuffle had little effect on prices in **Paris**, which ended mixed in slow trading. The session was marked by technical adjustments ahead of tomorrow's new monthly trading account.

Technical factors and profit taking were blamed by dealers for a sharp downturn in **Stockholm**.

In **Milan**, *selective demand took bank*ing and holding stocks higher while major industrials generally eased. The index was unchanged.

Electricals led an advance in quiet trading in **Madrid**.

NEW YORK STOCK EXCHANGE COMPOSITE CLOSING PRICES

[illegible]

Continued on Page 41

AMERICAN STOCK EXCHANGE COMPOSITE CLOSING PRICES

Continued on Page 42

NEW YORK STOCK EXCHANGE COMPOSITE CLOSING PRICES

Continued from Page 40

Continued on Page 42

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 per cent or more has been paid, the year's high-low range and dividend are shown for the new stock only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a–dividend also extra(s). b–annual rate of dividend plus stock dividend. c–liquidating dividend. cld–called. d–new yearly low. e–dividend declared or paid in preceding 12 months. g–dividend in Canadian funds, subject to 15% non-residence tax. i–dividend declared after split-up or stock dividend. j–dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k–dividend declared or paid this year, an accumulative issue with dividends in arrears. n–new issue in the past 52 weeks. The high-low range begins with the start of trading. nd–next day delivery. P/E–price-earnings ratio. r–dividend declared or paid in preceding 12 months, plus stock dividend. s–stock split. Dividends begins with date of split. sls–sales. t–dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u–new yearly high. v–trading halted. vi–in bankruptcy or receivership or being reorganised under the Bankruptcy Act, or securities assumed by such companies. wd–when distributed. wi–when issued. ww–with warrants. x–ex-dividend or ex-rights. xdis–ex-distribution. xw–without warrants. y–ex-dividend and sales in full. yld–yield. z–sales in full.

WORLD STOCK MARKETS

CANADA

DENMARK

NETHERLANDS

AUSTRALIA

JAPAN (continued)

FRANCE

NORWAY

SPAIN

HONG KONG

GERMANY

SWEDEN

SINGAPORE

SWITZERLAND

JAPAN

SOUTH AFRICA

AUSTRIA

BELGIUM/LUXEMBOURG

ITALY

NOTES—Prices on this page are as quoted on the individual exchanges and are last traded prices. § Dealings suspended. xd Ex dividend. xc Ex scrip issue. xr Ex rights. xa Ex all.

LONDON

ACTIVE STOCKS

TUESDAY'S ACTIVE STOCKS

NEW HIGHS AND LOWS FOR 1982/3

NEW HIGHS (128)

AMERICANS (18)
CANADIANS (6)
BANKS (3)
BUILDINGS (3)
CHEMICALS (4)
DRAPERY & STORES (6)
ELECTRICALS (19)
ENGINEERING (8)
FOODS (2)
HOTELS (2)
INDUSTRIALS (19)
INSURANCE (3)
LEISURE (2)
MOTORS (1)
NEWSPAPERS (2)
PAPER (1)
PROPERTY (3)
TEXTILES (3)
TRUSTS (28)
OIL & GAS (7)
PLANTATIONS (2)
MINES (2)

NEW LOWS (4)

ELECTRICALS (1)
BICC
ENGINEERING (1)
Mining Supplies
INDUSTRIALS (1)
Metamec Jentique
MOTORS (1)
Abbey Panels

OPTIONS

First Dealings	Last Dealings	Last Declaration	For Settlement
Mar 14	Mar 25	June 16	June 27
Mar 28	Apr 8	June 30	July 11
Apr 18	Apr 29	July 14	July 25

For rate indications see end of Share Information Service

Call options were arranged in BSR, Astra Industrial, Sound Diffusion, French Kier, Hollis Bros., Chloride, Spring Grove, Bryant, ICL, John Brown, Turner and Newall, Barker and Dobson, Premier Oil, Glaxo, Hanson Trust, Mercantile House, Sterling Industries, TI and Henry Ansbacher. No puts were reported, but doubles were taken out in Grovebell, London and Liverpool and Howard Machinery.

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

	EQUITY GROUPS & SUB-SECTIONS (Figures in parentheses show number of stocks per section)	Wed March 23 1983 Index No.	Day's Change %	Est. Earnings Yield % (Max.)	Gross Div. Yield % (ACT at 30%)	Est. P/E Ratio (Net)	Tues March 22 Index No.	Mon March 21 Index No.	Fri March 18 Index No.	Thur March 17 Index No.	Year ago (approx.) Index No.
1	CAPITAL GOODS (207)	450.13	−1.3	8.77	3.81	14.34	456.06	450.68	455.79	457.02	371.42
2	Building Materials (23)	447.14	−1.3	9.44	4.30	12.80	452.81	446.92	455.35	456.23	335.46
3	Contracting, Construction (30)	792.36	−0.6	11.34	4.22	10.61	797.48	796.32	808.72	825.43	638.03
4	Electricals (32)	1621.52	−2.3	7.45	2.15	17.21	1659.80	1632.05	1644.24	1656.85	1286.32
5	Engineering, Contractors (10)	441.85	−0.3	15.86	6.77	7.72	443.37	443.26	447.89	445.32	502.32
6	Mechanical Engineering (66)	219.01	−0.3	10.64	5.23	11.69	219.74	218.26	220.68	220.46	192.36
8	Metals and Metal Forming (11)	179.95	+1.8	11.02	6.92	11.10	176.83	175.46	177.64	175.35	160.07
9	Motors (18)	96.00	+0.7	8.77	6.56	—	95.34	93.83	95.29	94.35	98.46
10	Other Industrial Materials (17)	419.20	−1.0	7.71	5.08	17.22	423.37	419.64	424.07	426.93	382.07
21	CONSUMER GROUP (200)	411.07	−0.2	10.26	4.37	11.84	411.71	407.19	412.35	414.07	319.46
22	Brewers and Distillers (23)	445.15	—	11.37	4.81	10.73	445.12	439.65	446.98	450.38	310.71
25	Food Manufacturing (21)	344.38	+0.1	13.47	5.54	8.71	343.96	339.45	343.11	345.97	276.65
26	Food Retailing (14)	832.10	−0.6	7.66	2.92	16.42	837.52	828.09	844.36	843.40	644.38
27	Health and Household Products (8)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
29	Leisure (24)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
32	Newspapers, Publishing (13)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
33	Packaging and Paper (14)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
34	Stores (47)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
35	Textiles (22)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
36	Tobaccos (3)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
39	Other Consumer (11)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
41	OTHER GROUPS (79)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
42	Chemicals (15)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
44	Office Equipment (6)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
45	Shipping and Transport (14)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
46	Miscellaneous (44)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
49	INDUSTRIAL GROUP (486)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
51	Oils (14)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
59	500 SHARE INDEX	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
61	FINANCIAL GROUP (121)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
62	Banks (6)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
63	Discount Houses (8)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
65	Insurance (Life) (9)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
66	Insurance (Composite) (10)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
67	Insurance Brokers (7)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
68	Merchant Banks (13)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
69	Property (54)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
70	Other Financial (14)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
71	Investment Trusts (109)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
81	Mining Finance (4)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
91	Overseas Traders (16)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
99	ALL-SHARE INDEX (750)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

FIXED INTEREST

AVERAGE GROSS REDEMPTION YIELDS

†Flat yield. Highs and lows record, base dates, values and constituent changes are published in Saturday issues. A new list of constituents is available from the Publishers, The Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 15p, by post 28p.

RISES AND FALLS

	Rises	Falls	Same
British Funds	1	83	14
Corpns. Dom. & Foreign Bonds	6	30	42
Industrials	255	270	806
Financial & Props.	109	76	334
Oils	21	23	66
Plantations	4	2	16
Mines	33	64	55
Others	72	33	58

FINANCIAL TIMES STOCK INDICES

	Mar. 23	Mar. 22	Mar. 21	Mar. 18	Mar. 17	Mar. 16	year ago
Government Secs.	79.96	80.45	80.02	80.74	81.40	81.40	69.13
Fixed Interest	82.06	82.48	82.35	82.90	83.14	83.14	69.59
Industrial Ord.	654.3	660.4	652.5	661.0	661.0	671.3	562.6
Gold Mines	549.3	556.8	535.6	551.2	548.0	559.7	254.8
Ord. Div. Yield	4.94	4.89	4.94	4.87	4.86	4.79	5.58
Earnings, Yld.% (full)	10.47	10.37	10.48	10.34	10.25	10.06	10.68
P/E Ratio (net) (*)	11.51	11.63	11.51	11.66	11.79	12.01	11.91
Total bargains	23,535	23,323	24,323	25,20	22,449	23,679	19,893
Equity turnover £m.	—	206.75	178.97	267.21	224.05	219.97	202.16
Equity bargains	—	19,774	21,406	24,077	20,431	20,147	20,606
Shares traded (ml)	-	128.1	120.1	175.5	146.8	148.6	121.8

10 am 657.0. 11 am 658.8. Noon 656.7. 1 pm 656.7.
2 pm 656 1. 3 pm 654.2.

Basis 100 Govt. Secs. 16/10/26. Fixed Int. 1928. Industrial 1/7/35. Gold Mines 12/10/55. SE Activity 1974.

Latest Index 01-246 8026.

Nil=10.77.

HIGHS AND LOWS

	1982/3 High	1982/3 Low	Since Compilat'n High	Since Compilat'n Low
Govt. Secs	85.84 (3/11)	61.89 (5/1/82)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	87.02 (12/11)	62.79 (7/1/82)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord	673.6 (15/3/83)	518.1 (5/1/82)	673.6 (15/3/83)	49.4 (26/6/40)
Gold Mines	734.7 (15/2/83)	181.2 (22/6)	734.7 (15/2/83)	43.5 (26/10/71)

S.E. ACTIVITY

	Mar. 22	Mar. 21
—Daily		
Gilt Edged Bargains	192.6	219.9
Equities Bargains	128.1	138.7
Value	417.9	361.7
5-day Avrge		
Gilt-Edged Bargains	213.0	216.1
Equities Bargains	137.1	138.5
Value	443.4	451.6

NEW YORK AND CANADA Indices

NEW YORK—DOW JONES

STANDARD AND POORS

N.Y.S.E. ALL COMMON

RISES AND FALLS

MONTREAL

	Mar 23	Mar 22	Mar 21	Mar 18	1982-83 High	1982-83 Low
Industrials	357.84	357.82	357.88	358.2	368.59 (15/2/83)	240.58 (21/6/82)
Combined	351.85	350.55	351.42	351.55	360.8 (1/3/83)	237.27 (21/6/82)
TORONTO Composite	2114.3	2118.4	2112.8	2115.1	2178.8 (7/3/83)	1355.7 (21/6/82)

U.S. INDICES: CLOSING VALUES. YESTERDAY'S CANADIAN INDICES: LATEST AVAILABLE

AMERICAN STOCK EXCHANGE CLOSING PRICES

Continued from Page 41

NEW YORK CLOSING PRICES

Continued from Page 41

هكذا اصل الأصل

COMMODITIES AND AGRICULTURE

Grains markets 'bullish'

By Nancy Dunne in Washington

THE U.S. grains markets reacted "bullishly" yesterday to news that the Government's payment-in-kind (PIK) programme would exceed "the wildest expectations" of the Department of Agriculture.

Under the PIK scheme, grain and cotton farmers have agreed to leave more than one-third of their land unseeded this year in return for cash payments and surplus commodities from government-controlled stocks.

The USDA said a total of 82.3m acres, or 36 per cent of the acreage eligible under the programme, may go unplanted.

While analysts were stunned by the number of acres committed to the programme, they generally do not expect startling price increases over the long term. Two years of record wheat and maize crops have produced record surpluses which could feed a good portion of the world, even if bad weather occurs later on.

Maize prices, which have been rising steadily on the Chicago Board of Trade, will continue to rally, but only 5 or 10 cents more to $3.15 a bushel, according to Mr Dale Gustafson, a grain analyst for Drexel, Burnham and Lambert.

Mr Gustafson said because some farmers would back out of the programme and some not in it would plant additional acres, he expected about 3m acres to be added to maize production above the 60m to be planted under the programme.

He expected the wheat crop to total about 2bn bushels, which would necessitate a drawdown in stocks. However this season's output, plus the grain paid out to farmers from stocks, would hold new crop prices to about $4 a bushel, he predicted. That is below the $4.65 level at which additional stocks are released from the reserves.

Block uncompromising on U.S.-EEC trade dispute

BY BARBARA DALZELL

FINANCIAL TIMES
The Outlook for World Grains
CONFERENCE

MR JOHN BLOCK, U.S. Agriculture Secretary, flushed with the success of the response to his payment-in-kind (PIK) programme, offered an uncompromising and aggressive attitude yesterday to trade differences between the U.S. and the EEC.

He told the FT Conference on the Outlook for World Grains that a global approach to agricultural trade was needed. But he indicated that until such an approach was achieved the U.S. would maintain its aggressive stance.

He said he could not rule out the possibility of further subsidised deals, such as the recent sale of wheatflour to Egypt.

"Such sales are our way of competing. If export subsidies are the name of the game, well, we don't like them, and will try to avoid them but that may not be possible."

"It is no secret that the European Community's policy of exporting the surplus production stimulated by the CAP at subsidised prices is of grave concern to the U.S.

"We need to export a large part of our production. To do that we must be competitive and we can't compete with subsidised prices without taking special measures that lie outside our established policies and trade. But we abhor export subsidies.

"We've reached the point in international trade where one grain-exporting country puts grain into the export market at less than half the price received by its producers. That really is ridiculous."

He said the U.S. could tolerate some trade distortions "but the magnitude is reaching an unbearable level."

He said the U.S. would continue to hold reserve stocks as long as there were surpluses but would like to see more stocks held in other countries. He hoped that U.S. reserves would be diminished under the PIK scheme but said there would be no shortages.

"Prices will be stronger and we need that. We could have waited another four or five years for supply and demand to equalise but the farmers couldn't wait that long."

He emphasised the continuing differences in philosophy between the U.S. and other major producers, particularly the EEC.

"If it's right to divide market shares in wheat, as France believes, why can't the U.S. have a world market share in dairy products," he demanded.

There was no way to guarantee success of the U.S.-EEC talks in April. There had been some progress in defining main areas of dispute but there was no solution in sight yet.

Mr Robbin Johnson, vice president of Cargill Inc, painted a gloomy picture of a bearish grains market for the 1980s.

"We awoke from a 1970s binge with a 1980s hangover. World grain trade will not escape the effects of the cure—a downward adjustment in expectations and more attention to 'pay-as-you-go' policies."

He predicted that world wheat trade would increase by only 20 per cent between 1982 and 1990, compared with 40 per cent in 1972-1980.

He attributed the shift to a moderation in both population and per capita income growth rates. Further, food policy goals had become more modest and the resources available to try to achieve them were dwindling.

"The harsh reality of the world grain market is slower growth. The pressure on domestic farm and agriculture trade policies will mount."

Mr Freddie Rees, Wheat Manager of Rank Hovis, spoke of the "unreasonable" import levy system under which the UK milling industry paid in tax to the EEC about double its total profit.

"We customarily now only import wheat with a very protein level which cannot generally be obtained inside the EEC—that is why we persist in buying it and pay the levy accordingly."

He said the levy had nothing to do with protecting Europe's farmers, who didn't grow this kind of wheat. Neither was it based on the kind of wheat that millers were buying.

Other speakers were Mr Petter Arentz, Director of Research, Shipping and Freight, Landell Mills Commodities Studies; Mr J. O. C. Hill, general manager Raw Materials, BOCM Silcock; Professor Peter Day, director of the Plant Breeding Institute; and Mr A. P. van Stolk of van Stolk's Koninklije BV.

Setback to sugar futures dollar plan

PLANS TO change the London raw sugar futures contract from a sterling to a dollar basis received a setback yesterday. A vote in favour of the proposal at a special meeting of the terminal market association was declared void when it was pointed out that a rule, allowing only one representative from each member company to vote had been breached.

Another meeting of the association is to be held on April 18. It will also discuss the possible introduction of a white (refined) sugar futures contract in London.

Meanwhile at the EEC weekly selling tender yesterday only 6,000 tonnes of white sugar and 5,000 tonnes raw sugar, were authorised for export. However there was little market reaction since traders noted the Commission was more pre-occupied with the realignment of EEC currencies.

Maximum export rebates granted were 37.139 European currency units per 100 kilos for white sugar and 34.168 units for raw sugar sales.

● THE INTERNATIONAL Tin Council confirmed yesterday it has extended its export controls to cover the period April 1 to June 30. Exports of 23,200 tonnes are to be permitted.

● U.S. COPPER producer Asarco yesterday cut its domestic spot selling price for electrolytic copper by 1 cent to 76 cents per pound.

● U.S. AND SOVIET officials started annual spring consultations on grain in Moscow yesterday. The U.S. embassy said talks would continue today and that a statement may be issued after their conclusion.

● A RECORD 4m lambs are expected to be born on Welsh farms this spring, according to a survey by the Farmers Union of Wales.

France seeks 'green' currency change

BY LARRY KLINGER IN BRUSSELS

FRANCE is pressing for changes in the rules governing the European Community's agriculture monetary policy which would give it scope to increase the guaranteed prices paid to its farmers, a scheme which opponents estimate could cost the EEC's already hard-pressed finances a further £370m.

Despite the "temporary" rejection of the scheme yesterday by the European Commission, France is now expected to press its demands when the EEC Council of Agriculture Ministers meets in Brussels on Monday.

The council is to review the implications for agriculture of this week's realignment of the European Monetary System (EMS) ahead of resuming next month its negotiations to fix guaranteed farm price levels for the new marketing years.

Paris is suggesting that sterling's in effect 12 per cent devaluation against the European currency unit (Ecu) as a result of this week's EMS realignment should not be applied in the agricultural sphere.

This would give several countries — notably France, Italy, Ireland and Greece — scope for greater devaluations of their agri-monetary, or "green" currencies to provide their farmers with increased prices.

On the other hand, it could reduce the pressure on strong-currency countries — primarily West Germany — to revalue their "green" currencies and thereby reduce their farmers' guaranteed price levels.

Meanwhile, Community officials were last night meeting to fix, under existing rules, new monetary compensatory amounts (export susidies and levies), to be applied to agricultural trade.

"Green" currencies are agricultural exchange rates fixed by the Community for translating common farm prices — which are based on the Ecu — into the Ten's national currencies. A complex series of frontier levies and subsidies (MCAs) are then applied to agricultural trade to prevent the fluctuations of national currencies from undermining the common price system.

However, while once primarily a technical operation, the levels of MCAs, which basically represent the gap between a country's "green" currency and its national currency, have become a highly political question because of their effect on farm incomes, food prices and competitivity in intra-Community farm trade.

A SPECIAL session of European Community agriculture ministers to fix 1983 farm prices, set for March 28-30, has been postponed because of uncertainties about the shape of the new West German Cabinet, officials said.

They said the ministers would hold a one-day meeting on March 28, probably to discuss regulations needed to extend the agricultural marketing year. No new date has yet been arranged for the price fixing session.

● THE U.S. Agriculture Department said it opposed a Bill requiring the donation of surplus commodities to organizations which help the needy because existing surplus food distribution programmes were adequate. The Bill would require the donation of price support commodities.

● THE SWISS Commodity Industry Association is to set up an institute in Switzerland for research and training in comomdities. It will study futures and cash commodity markets, shipping, financing and warehousing.

FMC denies consortium bid has been rejected

BY RICHARD MOONEY

FMC, Britain's biggest meat company, yesterday "catergorically denied" a report that a bid from a consortium headed by the Milk Marketing Board (MMB) had been rejected.

The National Farmers' Union Development Trust (NFUDT), which owns 75 per cent of the company's shares, announced last week that it planned to sell its holding to farmers so that it could clear the bank debt incurred when securing a controlling interest in 1977. The original loan, from Barclays Bank, was £3m but interest has raised this to £3.3m.

An article in today's issue of Farming News says an offer from a group of producer bodies including the MMB, Midland Shires Farmers and Preston Farmers, to take over the company and pay off its debts over a 10-year period had been turned down. But the article said the offer remained open.

Both FMC and the MMB confirmed yesterday that exploratory talks had been held but they denied that any offer had been made.

The fate of FMC is of considerable interest to dairy farmers as a substantial part of their income is earned from sales of beef calves. Britain's dairy herds account for more than 70 per cent of total supplies of beef animals. The damage that the collapse of FMC would do to the UK meat market would therefore have a direct effect on dairy farm earnings.

The NFUDT would be unlikely, however, to accept a deal giving payment over 10 years. It is understood to be under some pressure from Barclay's Bank for repayment of its debts and in any case is anxious to end its direct involvement with FMC.

PRICE CHANGES

In tonnes unless stated otherwise	Mar. 23 1983	+ or —	Month ago
Metals			
Aluminium	£810/815		£815/815
Free Mkt	$1280/1270	+15	$1285/295
Platinum	£262.35		
Quicksilver†	$330/348		$340/360
Silver troy oz	700.55p	−18.40	876.80p
3 mths	718.45p	−18.70	902.65p
Tin cash	£9137.5	+5	£8660
3 month	£9157.5	+30	£8652
Tungsten	$85.75		$84.56
Wolfrm 22.04 lb	$89/91	+1	$80/85
Zinc Cash	£451	+3.25	£442.25
3 mths	£476.25	+2.87	£456.25
Producers	$750		$750/800

	Mar. 23 1983	+ or —	Month ago
Oils			
Coconut (Phil)	$490w	+5	$470
Groundnut	$470y		‡
Linseed Crude	‡		£317
Palm Malayan	$395x	+5	$375
Commodities			
Cocoa ship't*	£1299	−3	£1522.5
Fut. May	£1263.5	+7	£1277.5
Coffee Ft. May	£1887.5	+50	£1642.5
Cotton A. Index	79.30c		74.25c
Gas Oil Apr	$227.75	−1.25	$225
Rubber (kilo)	74p	−1.5	68.25p
Sugar (Raw)	£107yz	−2	£103
Woolt'ps 64 s.	405p kilo		402p kilo

‡ Unquoted. x April. z May. w April-May. y March-April. † Per 76-lb flask. * Ghana cocoa. n Nominal.

LONDON OIL SPOT PRICES

	Latest	Change + or —
CRUDE OIL—FOB ($ per barrel)		
Arabian Light	28.00-28.10	—
Iranian Light	26.10-27.00	+0.05
Arabian Heavy	25.90-26.00	−0.05
North Sea (Forties)	27.90-28.00	−0.10
North Sea (Brent)	28.00	−0.20
African(Bonny L'ht)	28.20	+0.20
PRODUCTS—North West Europe CIF ($ per tonne)		
Premium gasoline	273-277	−1.0
Gas oil	226-234	−0.50
Heavy fuel oil	157-160	—

GAS OIL FUTURES

The market was more active as prices opened higher to meet heavy trade selling. It moved down to the lows in mid-morning, reflecting physicals, but rallied later on arbitrage buying, reports Premier Man.

Month	Yest'day's close	+ or —	Business Done
	$ U.S. per tonne		
March	231.00	−0.50	234.00-30.50
April	227.75	−1.25	231.00-27.50
May	227.00	−0.25	229.50-26.00
June	226.00	+1.00	226.75-25.75
July	225.75	+0.75	228.50-25.50
Aug	227.25	+0.50	228.00-26.00
Sept	228.00	−0.75	230.00-28.50
Oct	229.50	−0.75	231.00-29.25
Nov	231.25	+0.25	231.25

Turnover: 2,575 (1,213) lots of 100 tonnes.

GOLD MARKETS

Gold fell $11½ an ounce from Tuesday's close in the London bullion market yesterday to finish at $408¾-9¼. The metal opened at $418½-19½ and traded between a low of $406½-7½ and a high of $419-20. Dealers said there were big sellers in the market encouraged by the firm dollar, higher U.S. interest rates and prospects of lower oil prices.

In Frankfurt the 12½ kilo bar was fixed at DM 32,320 per kilo ($415.000 per oz) against DM 32,690 ($414.51) and closed at $410-411.

In Luxembourg the dollar per ounce equivalent of the 12½ kilo bar at the fixing was $415.50.

In Paris the 12½ kilo bar was fixed at FFr 96,000 per kilo ($410.57 per oz) in the afternoon compared with FFr 96,500 ($413.63 per oz) in the morning and FFr 97,750 ($421.71) on Tuesday afternoon.

In Zurich gold finished at $409-412 per ounce.

LONDON FUTURES

Month	Yest'rday's close	+ or —	Business Done
	$ per troy ounce		
March	408.50-09.5	−11.15	410.00
April	410.00-10.1	−11.05	417.00-0.70
May	411.50-12.5	−11.50	
June	415.00-16.8	−11.30	422.30-15.8
July	418.00-19.3	−11.65	—
August	421.50-22.5	−11.50	422.60-19.0
Sept	424.50-26.0	−11.75	—

	Mar. 23		Mar. 22	
Gold Bullion (fine ounce)				
Close	$408¾-409¼	(£280-280¾)	$420¼-421¼	(£285½-286¼)
Opening	$418½-419½	(£284-284¾)	$419½-420½	(£284¼-285)
Morning fixing	$412	(£281.661)	$420.75	(£285.032)
Afternoon fixing	$410	(£280.436)	$421.25	(£285.551)

Gold Coins Mar. 23

BRITISH COMMODITY MARKETS

BASE METALS

BASE-METAL PRICES held up well in the face of renewed weakness in sterling. COPPER initially fell from £1089 to £1080 but rallied to close at £1085, while LEAD was finally £307.5 and ZINC £474.75. ALUMINIUM closed at £888.5 having touched £894 while NICKEL was finally quoted at £3365, after £3400. TIN closed at £9160 with buffer stock support reported around the £9140 to £9145 level.

COPPER

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —†
High Grde	£	£	£	£
Cash	1052.5-3.5	−3.75	1054-5	−.5
3 months	1085-.5	−2.5	1085.5-7	
Settlem't.	1053.5	−3.5	—	
Cathodes				
Cash	1031-.5	−4	1031-2	−1.25
3 months	1060-3	−4	1062-3	−1
Settlem't	1031.5	−4	—	
U.S. Prod.	—	—	*79-83	

Amalgamated Metal Trading reported that in the morning cash Higher Grade traded at £1,080, 80.50, 81, 82, 83, 84, 85, 84.50, 85, 86, 85.50. Cathodes: Cash £1,031, three months £1,062. Kerb: Higher Grade, three months £1 086, 85.50, 86, 85.50. Afternoon: Higher Grade, three months £1,084.50, 85, 86, 85, 85.50, 86, 87. Cathodes: Three months £1,063, 62. Kerb: Higher Grade, three months £1,086, 85, 84, 85, 86, 85, 84, 83, 82.50, 83. Turnover: 38,225 tonnes.

TIN

LEAD

ZINC

ALUMINIUM

NICKEL

Three months £3,380. Afternoon: Three months £3,385, 90 75, 78. Kerb: Three months £3,375, 70. Turnover: 1,932 tonnes.

SILVER

LME—Turnover 137 (115) lots of 10,000 ozs. Morning: Three months 714.0, 12.0, 11.0, 12.0, 16.5, 17.0, 16.5, 16.0. Kerb: Three months 717.0. Afternoon: Three months 720.0. Kerb: Three months 716.0, 15.0, 12.0, 13.0, 14.0.

SILVER per troy oz.	Bullion fixing price	+ or —	L.M.E. p.m. Unoffic'l	+ or —
Spot	700.55p	−18.4	698.5p	−21
3 months	718.45p	−18.7	716.5p	−21.2
6 months	734.95p	−20.2	—	
12 months	770.00p	−20.5	—	

Silver was fixed 18.4p an ounce lower for spot delivery in the London bullion market yesterday at 700.55p. U.S. equivalents of the fixing levels were: spot $10.2305, down 36.95c; three months $10.471, down 37c; six months $10.697, down 39.5c; and 12 months $11.189, down 39.7c. The metal opened at 711-713p ($10.18-$10.22) and closed at 697-699p ($10.18-$10.22).

COCOA

Futures opened steadily £15.00 higher but during a rather dull day lost a little ground and closed quietly. The physical market reflected the general lack of activity and was largely ignored by both consumers and producers, reports Gill and Duffus.

COCOA	Yest'day's Close	+ or —	Business Done
	£ per tonne		
March	1252-53	+8.5	1259-48
May	1263-64	+7.0	1273-54

COFFEE

Fresh contract highs were registered across the board before late dealer selling pared gains slightly.

COFFEE	Yesterday's Close	+ or —	Business Done
March	1885-905	+64.0	1904-40
May	1887-88	+50.0	1900-42
July	1725-26	+26.5	1681-51
Sept	1672-75	+32.0	1650-00
Nov	1626-27	+32.0	1630-00
January	1583-86	+28.5	1560-59
March	1550-55	+29.5	1545-29

Sales: 6,226 (3,436) lots of 5 tonnes.

ICO Indicator prices for March 22 (U.S. cents per pound): Comp. daily 1979 123 37 (124.20): 15-day average 122.90 (122.81).

GRAINS

The market opened unchanged with the exception of May barley which was 15p up. During the morning May wheat drifted 30p lower and later dropped further with July until shippers bid the market up on currency rumours. New crops were again steady with light trade, reports Acli.

Mnth	WHEAT Yesterd'ys close	+ or —	BARLEY Yest'rd'ys close	+ or —
May	135.85	−0.05	121.90	+0.10
July	138.55	+0.15	—	—
Sep	117.20	—	110.75	+0.10
Nov	119.70	+0.10	113.95	+0.10
Jan	122.90	+0.05	117.25	+0.10

Business done—Wheat: May 136.00-5 40, July 138.70-7.95, Sept 117.30-7.20, Nov 119.85-9.70, Jan 122.85 only. Sales: 322 lots of 100 tonnes. Barley: May 122.00-1.80. Sept 110.75-10.65, Nov 113.95-3.85, Jan untraded. Sales. 63 lots of 100 tonnes.

LONDON GRAINS—Wheat: U.S. Dark Northern Spring No. 1, 14 per cent, May, June and July 134.50 transhipment East Coast sellers. English feed fob Oct/Dec 124 East Coast sellers. Barley: English feed fob April/June 126.25, Aug 11.50. Sept 113.50, Oct/Dec 118 East Coast sellers. Rest unquoted.

HGCA—Locational ex-farm spot prices. Feed barley: Eastern 118 90, N. East 121 00. Scotland 118 30 The UK monetary coefficient for the week begining Monday March 28 has still no been finalised.

WOOL FUTURES

SYDNEY GREASY WOOL—Close (in order. buyer. seller. business). Australian cents per kg Mar 550.0, 559.0, 560.0-558.0; May 568 0. 569.0. 571.0-570 8. July 589.0. 590.0. 592.0-590 0; Oct 577 0, 578.0, 579.5-578.5; Dec 587.0, 587.0, 590.0-586.5; Mar 603.5, 606.0, 606.0-602.0; May 614.0, 615.0, 615.0-610.0; July 622.0, 625.0, 625.0-620.0. Sales: 218.

LONDON NEW ZEALAND CROSSBREDS—Close (in order: buyer, seller, business). New Zealand cents per kg. Mar 385 seller, nil; May 393 394, 394; Aug 412, 417, nil; Oct 419, 424, 421-418; Dec 421, 426, 425-424; Jan 422, 428, 426-421; Mar 434, 438, 434; May 440, 444, 441-440; Aug 450, 454, 453-452. Sales: 53.

POTATOES

Morning trade saw further falls in April and May. PMB clarification release on contract details caused some short-lived buying interest, which triggered stop-loss orders, before prices again came under pressure, reports Coley and Harper.

Month	Yesterd'y close	Previous close	Business Done
	£ per tonne		
April	58.50	59.50	59.80-58.10
May	64.90	66.00	67.60-64.50
Nov	67.40	67.80	67.50
Feb	77.50	76.80	—
April	88.80	88.40	—

Turnover: 1,217 (918) lots of 40 tonnes.

RUBBER

The physical market opened about slightly easier, attracted little buying interest throughout the day and closed at the lows. Lewis and Peat reported a March fob price for No 1 RSS in Kuala Lumpur of 237.5 (243.5) cents a kg and SMR 20 236.0 (240.0).

Spot 74.00p (75.50p); April 75.50p (76.50p); May 77.25p (78.00p).

SOYABEAN MEAL

The market opened firm with gains of £3 and moved limit-up on a bullish USDA acreage figure, reports T. G. Roddick. Prices eased from the highs on trade selling together with profit-taking.

	Yesterdy's Close	+ or —	Business Done
	£ per tonne		
April	151.50-52.5	+2.75	152.70
June	155.50-53.8	+3.15	156.80-53.80
August	156.80-55.2	+3.50	157.50-51.80
October	161.30-61.5	+4.30	161.00
Dec	168.00-68.2	+5.00	168.00-67.60
Feb	172.50-73.5	+5.40	—
April	172.50-56.0	+4.80	—

Sales: 214 (85) lots of 100 tonnes.

SOYABEAN OIL—Prices opened $7.00 up and moved higher before profit-taking stemmed the advance. Close (U.S. $ per tonne): April 406.00, 411.00, untraded; June 419.00, 421.00, 425.00-420.00; Aug 430.00, 433.00, untraded; Oct 440.00, 450.00, untraded; Dec 450.00, 462.00, untraded; Feb 460.00, 475.00, untraded; April 470.00 490.00, untraded. Sales: 21 (39) lots of 25 tonnes.

SUGAR

LONDON DAILY SUGAR—Raw sugar £107.00 (£109.00) a tonne cif March-April-May shipment. White sugar £146 00 (£147.00).

The market ran into profit-taking initially and was unable to sustain the overnight levels. The losses were recovered later after more reports from Cuba about crop difficulties, reports C. Czarnikow.

No. 4 Contract	Yesterday close	Previous close	Business done
	£ per tonne		
May	118.50-18.70	116.80-16.80	119.10-17.00
Aug	126.25-26.50	124.50-24.40	126.75-24.25
Oct	133.20-33.25	131.00-31.25	133.25-31.25
Dec	138.00-38.50	137.00-37.25	139.00-38.00
March	148.25-48.50	146.25-46.38	148.00-46.25
May	151.00-52.25	149.25-52.75	152.00

Sales: 2,727 (3,468) lots of 50 tonnes.

Tate and Lyle delivery price for granulated basis white sugar was £405.90 (same) a tonne for home trade and £212.50 (£214.50) for export.

International Sugar Agreement (U.S. cents per pound) fob and stowed Caribbean ports. Prices for March 22: Daily prices 6.22 (6.14); 15-day average 6.13 (6.11).

COTTON

LIVERPOOL—No spot or shipment sales were recorded. Business was lethargic and traders avoided forward commitments. Users were content with existing supplies.

MEAT/FISH

GRIMSBY FISH—Supply good, demand good. Prices at ship's side (unprocessed) per stone: shell cod £4.50-£5.50, codlings £3.10-£4.60; large haddock £4.00-£5.20, medium £4.40-£4.90, small £2.70-£3.30; large plaice £4.50-£4.90, medium £4.20-£4.60, best small £3.90-£4.50; skined dogfish (medium) £12.00-£13 00; lemon sole (medium) £9.0; rockfish £3.00-£3.90, (small) £3.00; saithe £1 90-£2.30.

MEAT COMMISSION—Average fatstock prices at representative markets. GB—Cattle 93.37p per kg lw (−0.83). GB—Sheep 194.00p per kg est dcw (+7.85). GB—Pigs 68.64p per kg lw (−1.44).

SMITHFIELD—Pence per pound. Beef: Scotch kiled sides 78.0 to 82.3. Veal: Dutch hinds and ends 130.0 to 134 0. Lamb: English small 83.0 to 88.0, medium 79.0 to 83 0; Imported: New Zealand PL 51.3 to 52.3, PX 46.5 to 47.8. Pork: English, under 100lb 32.5 to 50 0, 100-120lb 41.0 to 48.5, 120-160lb 37.5 to 45.5.

INDICES

FINANCIAL TIMES

Mar. 22	Mar. 21	M'th ago	Y'ar ago
268.19	267.71	259.72	246.66

(Base: July 1 1952=100)

REUTERS

COVENT GARDEN

AMERICAN MARKETS

NEW YORK, March 23

Gold and silver weakened early on aggressive long liquidation linked to bearish technical patterns and expectations of further cuts in the oil price. However, prices recovered late in the session on aggressive short-covering in response to a firm stock market and expectations of a favourable auction result. Copper, after early losses on weaker sterling and precious metals, recovered to close higher on aggressive buying and short-covering linked to higher stock values. Cocoa recovered in sympathy with firmer gold towards the unchanged level. Sugar was mixed with good support on breaks in response to reports that Cuba might be unable to meet export commitments and on the lower than expected EEC selling. Coffee values rallied sharply on continued reports of good roaster interest. Cotton continued to attract good buying in response to the payment-in-kind announcement and strength to grains. The soyabean and grain complex staged their best rally in response to the Pik programme announcement which showed better than expected participation and steep cuts in planted acreage. Heating oil firmed on generally low dealer inventories and on the lack of fresh bearish news, reported Heinold Commodities.

NEW YORK

COCOA 10 tonnes. $/tonnes

	Close	High	Low	Prev
May	1691	1698	1655	1693
July	1729	1735	1697	1732
Sept	1758	1765	1728	1761
Dec	1803	1803	1773	1803
March	1810	1810	1810	—

COFFEE "C" 37,000 lb. cents/lb

	Close	High	Low	Prev
May	126.58	126.90	123.75	123.55
July	124.66	125.25	122.70	122.36
Sept	122.44	123.25	121.75	121.31
Dec	120.83	120.75	119.30	118.63
March	117.75	118.00	116.00	125.25
May	114.88	—	—	113.00
July	111.25	110.50	110.25	110.10

COPPER 25,000 lbs. cents/lb

	Close	High	Low	Prev
March	71.75	71.70	70.00	71.15
April	71.80	—	—	71.20
May	72.55	72.60	70.80	71.95
July	74.05	74.10	72.35	73.45
Sept	75.50	75.60	73.80	74.85
Dec	77.35	77.50	75.60	76.70
Jan	77.95	76.90	76.30	77.30

CHICAGO

MAIZE 5,000 bu min. cents/56 lb bushel

	Close	High	Low	Prev
May	309.0	310.4	306.0	300.6
July	316.0	318.0	314.0	308.6
Sept	312.6	314.2	311.0	304.2
Dec	308.0	310.6	307.0	300.6
March	317.0	319.0	315.0	291.2
May	323.0	325.0	321.4	315.0
July	329.0	330.0	328.0	—

SOYABEANS 5,000 bu min. cents/60 lb bushel

	Close	High	Low	Prev
May	634.0	637.4	626.4	611.0
July	651.4	653.4	642.0	626.0
Aug	657.0	659.0	647.6	631.6
Sept	663.0	664.4	653.4	637.2
Nov	675.0	679.0	668.0	650.4
Jan	687.0	690.0	680.0	662.6
March	700.0	702.0	692.4	603.2
May	711.0	714.0	704.4	685.4
July	721.0	723.0	716.0	—

SOYABEAN MEAL 100 tons. $/ton

	Close	High	Low	Prev
May	190.6	190.9	187.4	183.0
July	195.7	195.9	192.0	187.4

FT LONDON SHARE INFORMATION SERVICE

BRITISH FUNDS

"Shorts" (Lives up to Five Years)

1982/83 High	Low	Stock	Price £	+ or −	Yield Int.	Yield Red.
100⅝	92⅞	Treasury 9¼pc '83	99¹¹⁄₁₆	−⅛	9.28	10.22
104⅝	96⅞	Exch. 13¼pc '83	101¼	−⅛	13.27	10.60
101¾	91⅞	Exch. 10pc 1983	99¹¹⁄₁₆	−⅛	10.03	10.37
98¼	87⅝	Funding 5½pc '82-84‡‡	97⅛	....	5.66	9.28
103¾	91⅞	Exch. 11¼pc 1984	100⅝	−⅛	11.19	10.54
107¼	96¼	Exchequer 14pc 1984	103¼	−¼	13.56	10.93
94½	81⅛	Exch. 3pc 1984	93⅝	−¼	3.20	8.51
105¼	91½	Treasury 12pc 1984	101¹¹⁄₁₆xd	−⅛	11.80	10.73
112	96¼	Treasury 15pc 1985	106¾	−¼	14.06	11.01
112¼	103	Exch. 12pc Cnv. '85	103	−¼	11.65	10.28
91¾	73½	Treasury 3pc 1985	89⅝	−¼	3.35	8.34
105½	87½	Treasury 11½pc 1985	100⅜	−⅜	11.42	11.14
102	95½	Treas 8¾pcCnv '85	96	−½	9.11	10.60
107⅜	88⅝	Exch. 12¼pc 1985	101⅞	−⅜	12.03	11.36
106⅝	86⅛	Exch. 11¾pc '86	101	−¼	11.63	11.33
89½	69	Treasury 3pc 1986	86½	....	3.47	7.92
27	26	Exch. 10½pc Cv '86(£25pd)	26¼	−⅛	10.56	10.48
107¼	86¼	Treasury 12pc '86	101½	−⅛	11.82	11.41
100	80⅛	Treasury 8½pc '84-86‡‡	94¾	−⅛	8.97	10.42
116¼	96⅞	Treas. 12¾pc '86 Cnv.	107	−¼	11.45	9.73
114	91⅞	Exch. 14pc 1986	107	−¼	13.08	11.58
112	90	Exch. 13¼pc 1987	105¼	−⅜	12.59	11.49
84⅛	83⅛	Exchequer 2½pc 1987	84	−⅛	2.98	7.25
103½	95⅞	Exch. 10½pc 1987	97½xd	−⅜	10.77	11.29
30⅜	29⅛	Ex. 10½pc '87A (£30pd)	29⅛	−⅛	10.76	11.26
93⅝	73⅞	Funding 6½pc '85-87‡‡	89¼	−⅛	7.24	9.59
85¼	64½	Treasury 3pc 1987	82½	....	3.64	7.87
109	85⅞	Treas 12pc 1987	101½	−⅛	11.82	11.56
98	72½	Treasury 7¾pc '85-88‡‡	90¼	+⅛	8.59	10.35

Five to Fifteen Years

1982/83 High	Low	Stock	Price £	+ or −	Yield Int.	Yield Red.
102⅜	95½	Exch 10½pc '88	100¼	−⅜	10.90	11.45
81½	60⅛	Transport 3pc '78-88	80¼	−⅛	3.77	7.80
99	91	Treas. 9½pc '88	92xd	−⅜	10.23	11.27
107⅞	79⅞	Treasury 11½pc 1989	99¼	−½	11.64	11.78
85⅝	62½	Treasury 5pc '86-89	77⅞xd	−⅜	6.40	9.56
117¼	85⅞	Treasury 13pc 1990‡‡	108¼	−½	12.28	11.72
112	85⅝	Exch. 12½pc 1990	103½	−½	12.09	11.76
98⅛	70⅛	Treasury 8¼pc '87-90‡‡	88⅞	−⅜	9.52	10.97
110¼	77¾	Treasury 11¾pc 1991	102⅛	−⅜	11.78	11.78
84⅞	59¾	Funding 5¾pc '87-91‡‡	76¼xd	−¼	7.52	10.10
104⅛	76⅛	Exch. 11pc 1991	96xd	−½	11.23	11.58
116⅞	81⅞	Treasury 12¾pc '92‡‡	107½	−⅝	12.10	11.74
102¼	70	Treasury 10pc 1992	93¼	−½	10.82	11.37
112¾	80⅞	Exch. 12¼pc '92	103½xd	−½	11.94	11.79
118¼	88⅝	Exchequer 13½pc '92	109⅛	−½	12.38	11.88
116½	80⅝	Treasury 12½pc '93‡‡	107	−½	11.95	11.71
81½	56¼	Funding 6pc 1993‡‡	73½xd	−⅜	8.18	10.19
124¾	88	Treasury 13¾pc 1993‡‡	116½	−½	12.28	11.74
128¼	91⅝	Treasury 14½pc '94‡‡	117¾xd	−½	12.41	11.72
119¼	86¼	Exchequer 13½pc 1994	109⅞xd	−½	12.23	11.81
115½	80⅛	Exch. 12½pc 1994	105¼	−½	11.94	11.74
96⅛	66¾	Treasury 9pc '94‡‡	91½	−½	10.18	10.77
113¾	76½	Treasury 12pc '95	104½	−⅛	11.70	11.58
66¾	42⅝	Gas 3pc '90/95	63	−¼	4.85	7.98
103½	68½	Exch. 10¼pc 1995	94½	−⅜	11.05	11.35
116⅞	83¼	Treasury 12¾pc '95‡‡	112⅝	−⅝	11.79	11.51
127¾	86¼	Treas. 14pc '96	117	−⅝	12.21	11.75
97	66⅝	Treasury 9pc '92/96‡‡	88xd	−½	10.25	10.77
133	96	Treasury 15¼pc '96‡‡	129⅜	−¼	12.55	11.70
120	86	Exchequer 13¼pc '96‡‡	116⅛	−¼	11.86	11.50
63¾	43⅝	Redemption 3pc 1986-96	58¼xd	−¼	5.10	8.05
124	83½	Treasury 13¾pc '97‡‡	114⅛	−¼	11.84	11.50
105⅛	69⅝	Exchequer 10½pc 1997	96½	−½	10.98	11.12
94⅛	64	Treasury 8¾pc 1997‡‡	85¼	−½	10.27	10.79
132¾	94¼	Exch. 15pc 1997	121¼xd	−¼	12.18	11.67

Over Fifteen Years

1982/83 High	Low	Stock	Price £	+ or −	Yield Int.	Yield Red.
79⅛	54½	Treasury 6¾pc '95-98‡‡	74⅞	−⅜	9.35	10.44
138¼	99½	Treas. 15½pc '98‡‡	127½xd	−⅞	12.13	11.60
116⅝	78¼	Exch. 12pc 1998	108⅝	−⅞	11.48	11.36
100⅝	66	Treasury 9½pc 1999‡‡	92¼	−½	10.50	10.76
116	81¼	Exch. 12¼pc 1999	106⅝xd	−¼	11.48	11.33
107	71⅛	Treasury 10½pc 1999	99¾	−½	10.92	11.01
124¼	82¼	Treas. 13pc 2000	114⅝	−¼	11.59	11.37
131	89	Treas. 14pc '98-01	122⅞	−⅞	11.90	11.50
116½	76½	Exch. 12pc '99-02	107½	−⅞	11.37	11.24
129½	85⅞	Treas. 13¾pc 2000-03	119½	−⅞	11.72	11.43
113¾	78¼	Treasury 11½pc '01-04	104¼	−¼	11.05	10.97
50¾	44½	Funding 3½pc '99-04	45¼	−⅛	7.76	9.60
123⅜	11⅞	Treasury 12½pc '03-05	115⅛	−⅝	11.27	11.13
87¼	59¾	Treasury 8pc '02-06‡‡	79¼xd	−½	10.06	10.34
116⅜	75⅞	Treasury 11¾pc 03-07	107½	−¼	11.13	11.05
128½	90	Treas. 13½pc '04-08	118⅜xd	−⅞	11.40	11.19
64	44¼	Treasury 5½pc '08-12‡‡	57¼xd	−⅝	9.56	10.00
85½	55⅝	Treasury 7¾pc '12-15‡‡	78⅛	−½	10.08	10.21
124	81⅛	Exch. 12pc '13-'17	114½	−¼	10.80	10.75

Undated

1982/83 High	Low	Stock	Price £	+ or −	Yield Int.	Yield Red.
42¾	27⅞	Consols 4pc.	38⅛	−¼	10.65	—
37¼	26⅛	War Loan 3½pc‡‡	35¼	−¼	10.29	—
42	31½	Conv. 3½pc '61 Aft.	39½xd	−⅛	8.93	—
32¾	21	Treasury 3pc 66 Aft.	29¼xd	−¼	10.22	—
27	17¾	Consols 2½pc	24xd	−¼	10.38	—
26⅞	17⅝	Treasury 2½pc	23¾xd	−⅛	10.50	—

Index-Linked & Variable Rate

1982/83 High	Low	Stock	Price £	+ or −	(1)	(2)
100⅛	99⅛	Treas. Variable '83	99³¹⁄₃₂	+¹⁄₃₂	11.67	10.67
108¼	95	Treas. 2pc I.L. '88	104xd	−¼	2.09	2.36
112	93	Do. 2pc I.L. '96	110	−¼	2.43	2.56
103⅞	93¼	Do. 2½pc I.L. 2001	102xd	−¼	2.40	2.49
102⅝	95½	Do. 2½pc I.L. 2003	102	−⅜	2.42	2.52
107	86⅝	Do. 2pc I.L. 2006	106	−¼	2.37	2.45
103½	96	Do. 2½pc I.L. 2009	103	−¼	2.39	2.46
110	90	Do. 2½pc I.L. 2011	108	−¼	2.39	2.46
99¼	98½	Do 2½pc I.L. 2016	99	−⅜	2.39	2.45

Prospective real redemption rate on projected inflation of (1) 10% and (2) 7%

INT. BANK AND O'SEAS GOVT. STERLING ISSUES

1982/83 High	Low	Stock	Price £	+ or −	Yield Int.	Yield Red.
116¼	99¾	Australia 13½pc 2010	110¼	−½	12.42	12.38
130	86	Euro Inv Bk 11pc Ln 2002	91¼	−1½	12.06	12.20
108¾	92¼	Finland 14½pc Ln 1986	105½	−½	13.74	12.31
30¼	21	Int-Am Dev Bk 12½pc 2003	27	−¼	13.01	12.02
109	90¼	Int. Bank 13½pc 1986	103¾	−½	13.01	12.02
111½	97	Do. 14pcLn 1987	106¾	−½	13.11	11.84
101¾	77¾	Mex 16½pc 2008	82¼	+½	19.81	22.60
112½	98½	N.Z. 14¼pc 1987	107	−¼	13.32	12.07
107½	90¼	Sweden 13½pc 1986	103½	−½	13.04	12.03
31⅞	23½	Do. 13½pc Ln 2010	29¼	..	13.41	13.36

CORPORATION LOANS

1982/83 High	Low	Stock	Price £	+ or −	Yield Int.	Yield Red.
102½	85	Bath 11¾pc 1985	99	−½	[illegible]	11.67
104⅝	89¼	Birm'ham 12½pc 1985	101¼	−½	[illegible]	11.51
108⅛	87	Burnley 13pc 1987	103¼	−½	[illegible]	11.98
134	81	Cardiff 11pc 1986	97½	−¼	[illegible]	11.70
104¼	94	G.L.C. 13¼pc 1984	101½	−¼	[illegible]	11.13
81	53½	Do. 6¼pc 90-92	76½	−1	[illegible]	11.07
99	67½	Herts 6¼pc 1985-87	84	−½	[illegible]	11.25
116	85	Leeds 13½pc 2006	109	−1½	[illegible]	12.25
100⅛	87½	Liverpool 9½pc '80-84	98½	−⅛	[illegible]	11.39
31	21½	Do. 3½pc Irred.	27	−½	12.71	—
104⅛	95½	Lon. Corp. 13¼pc '83	101¼	+⅛	[illegible]	10.05
94¼	82	Do. 9¼pc '84-85	96	−⅝	[illegible]	11.02
94	78	LCC 5½pc '82-84	93½	−¼	[illegible]	10.79
84¾	64	Do. 5½pc '85-87	81	−½	[illegible]	11.26
87	56	Do 6¾pc '88-90	78	−¼	[illegible]	11.48
26¼	19	Do. 3pc '20 Aft.	24	−¼	12.7[illegible]	—
104½	90¼	Sunderland 12¼pc 1984	101¼	−⅜	12.1[illegible]	11.36

COMMONWEALTH AND AFRICAN LOANS

1982/83 High	Low	Stock	Price £	+ or −	Yield Int.	Yield Red.
98⅞	85¼	Aust. 6pc 1981-83	98¼	....	6.22	11.45
83¼	57	N.Z. 7¼pc 1988-92	75	−½	9.87	12.09
93½	74¼	Do 7½pc '83-86	90¼	−¼	8.50	11.95
167	136	S. Rhod 2½pc Non-Ass.	162	....	—	—
80	58	Do. 3½pc 80-85 Asstd.	76	....	4.61	15.40
55	32	Do. 4½pc 87-92 Asstd.	46	....	10.31	17.00
402	318	Zimbabwe Ann (£100pd)	325xd	−4	—	19.45

LOANS

Public Board and Ind.

1982/83 High	Low	Stock	Price £	+ or −	Yield Int.	Yield Red.
77½	57¼	Agric. Mt. 5pc '59-89	75¾	−¼	6.74	10.76
33	24¼	Met. Wtr. 3pc 'B'	31½	−¼	9.57	12.15

LOANS—Continued

Financial

1982/83 High	Low	Stock	Price £	+ or −	Yield Int.	Yield Red.
103¾	95½	FFI 14pc '83	101¾	...	13.78	11.64
95	80	FFI(UK Fa)6¼pcDb '81-84	95	...	6.75	11.20
103½	82½	Do. 10½pc Uns Ln. '86	101	...	10.65	11.18
105	78	Do. 11pc Uns.Ln '88	102	...	11.06	11.10
106	78	Do. 11¾pc Uns Ln. '90	101½	...	11.90	12.00
108¼	82	Do. 12½pc Uns. Ln. 1992	102	...	12.28	12.20
83	54	Do. 7¼pc A Deb '89-92	75½	...	9.90	11.85
79½	53	Do 7¼pcADeb. '91-94	73xd	...	9.93	11.60
90	62	Do. 9pc 'A' '91-94	84xd	...	10.71	11.55
87¼	57⅞	Do. 8⅞pcLn. '92-97	81	...	11.14	11.75

Building Societies

1982/83 High	Low	Stock	Price £	+ or −	Yield Int.	Yield Red.
102¼	99⅝	Nat'wide 14¼pc 4.4.83	100⅛xd	....	—	—
102⅝	100⅛	Do. 14¼pc 25.4.83	100⅛	....	14.72	12.11
102¾	99⅞	Do. 13⅞pc 23.5.83	100⅝	...	13.82	11.38
102⅞	100⅛	Do. 13⅞pc 13.6.83	100⅝	...	13.88	11.83
102¼	100⅛	Do. 14pc 4.7.83	100¾	....	13.90	11.11
102¼	100⅛	Do. 13¼pc 25.7.83	100⅝	....	13.04	11.21
101½	99½	Do. 11⅞pc 15.8.83	100¼	....	11.84	11.22
101	98⅞	Do. 11¼pc 30.8.83	100¼	....	11.22	10.63
101⅜	99¼	Do 11⅜pc 3.10.83	100¼xd	....	11.35	10.83
100⅝	98¼	Do. 9⅞pc 31.10.83	99¼	....	10.00	11.25
99¼	98	Do. 9⅞pc 28.11.83	99¼	....	9.95	11.84
100¼	99½	Do. 11¼pc 19.12.83	100¼	...	11.22	10.92

FOREIGN BONDS & RAILS

1982/83 High	Low	Stock	Price £	+ or −	Div. % Gross	Red. Yield
17	8	Chinese 4½pc 1898	10	....	—	—
14	9	Do. 5pc 1912	9	....	—	—
14	6	Do 5pc 1913	9	....	—	—
12	5½	Do. 5pc '25 Boxer	6	+½	—	—
44	42	Greek 7pc Ass.	43	....	3½	8.25
42	40	Do. 6pc 28 Stb. Ass.	41	....	3	7.59
38	35	Do 4pc Mixed Ass.	38	....	2	5.27
35	25	Hung. '24 Ass	31½	....	2¼	19.90
122	87½	Hydro Quebec 15pc Ln 2011	111	+½	15	14.07
75	58	Iceland 6½pc '83-88	75	....	6½	14.98
106	80	Do. 14½pc Ln. 2016	103½	+1½	14½	14.28
100⅛	87¾	Ireland 7½pc '81-83	100⅛	+⅛	7½	12.76
87¼	62½	Do. 9¾pc '91-96	82½	−½	9¾	12.55
303	231	Japan 4pc '10 Ass	300	....	—	—
92	67	Do. 6pc '83-88	81½	....	6	10.59
161	161	Peru Ass. 2007	161	....	5.22	9.82
93¾	57½	Pet. Mx 14½pc '06	60¼	....	14½	23.89
S79	S75	Turin 9pc 1991	S75	....	9	12.00
DM90	DM84	Turin 6½pc 1984	DM90	....	6½	11.40

AMERICANS

1982/83 High	Low	Stock	Price £	+ or −	Div. Gross	C'w	Y'ld Gr's
29¾	13½	Abbott Labs.‡	29⅛	+¼	$1.00	—	2.3
23⅞	11⅞	Alcoa 1$	21⅞	−¼	$1.20	—	3.6
25⅛	10	Amax $1	16	+⅛	20c	—	0.8
29⅜	10⅛	Amdahl	29⅜	....	40c	—	1.2
39⅝	15⅝	Amer. Express $0.60	39⅝	+⅜	hS1.80	—	3.0
20⅛	762p	Amer. Medical Intl $1	19⅝	−¼	h39c	—	1.3
23⅞	14⅞	Amer. Nat. Res. $1	23⅝	+⅛	$3.16	—	9.0
45½	28	American T. & T. Co.	45⅝	+¼	s$5.40	—	7.9
20	10½	Amfac Inc	20	+⅝	$1.44	—	4.8

BANKS—Continued

Hire Purchase, Leasing, etc.

BEERS, WINES AND SPIRITS

BUILDING INDUSTRY, TIMBER AND ROADS

CHEMICALS, PLASTICS

CANADIANS

BANKS, H.P. & LEASING

CHEMICALS, PLASTICS—Cont.

DRAPERY AND STORES

ELECTRICALS

ELECTRICALS—Continued

ENGINEERING MACHINE TOOLS

FOOD, GROCERIES, ETC.

FOOD, GROCERIES—Cont.

HOTELS AND CATERERS

INDUSTRIALS (Miscel.)

INDUSTRIALS—Continued

LEISURE—Continued

PROPERTY—Continued

INVESTMENT TRUSTS—Cont.

OIL AND GAS—Continued

MOTORS, AIRCRAFT TRADES

Motors and Cycles

Commercial Vehicles

Components

Garages and Distributors

NEWSPAPERS, PUBLISHERS

PAPER, PRINTING ADVERTISING

PROPERTY

INSURANCES

LEISURE

SHIPPING

SHOES AND LEATHER

SOUTH AFRICANS

TEXTILES

TOBACCOS

TRUSTS, FINANCE, LAND

Investment Trusts

Finance, Land, etc.

OIL AND GAS

OVERSEAS TRADERS

PLANTATIONS

Rubbers, Palm Oil

Teas

MINES

Central Rand

Eastern Rand

Far West Rand

O.F.S.

Finance

Diamond and Platinum

MINES—Continued

Central African

1982/83 High	Low	Stock	Price	+ or —	Div Net	C'vr	Y'ld Gr's
300	75	Falcon Rh.50c	250	..	025c	20.3	7.0
33	16	Wankie Col. Z$1	19	..	103c	1.2	10.7
28	12	Zam Cpr SBD0.24	20	-1	—	—	—

Australians

Tins

Miscellaneous

1982/83 High	Low	Stock	Price	+ or —	Div Net	C'vr	Y'ld Gr's
125	25	♥Anglo Utd. Dev.	83	-6	—	—	—
135	27	♥Colby Res Corp.	85	+3	—	—	—
485	170	Cons. Murch. 10c.	430	...	‡060c	1.9	‡
8	1½	‡‡Explaura Gold	4	..	—	—	—
155	55	♥Highwood Res	125	+5	—	—	—
£20¼	£12½	Homestake Mining $1	£17⅛	..	040c	—	1.5
495	160	Northgate C$1	385	-5	—	—	—
552	344	R.T.Z.	512	...	16.0	1.6	4.5
£122	£84	Do 9½% Cv Ln '95-2000	£114	...	Q9½%	23.9	18.5
33	11	♥Sabina Inds C$1	27	+4	—	—	—
17½	12½	♦Southwest Res 10p.	13½	-½	—	—	—
530	270	♥Tara Expln $1	455	...	—	—	—

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/Es are calculated on "net" distribution basis, earnings per share being computed on profit after taxation and unrelieved ACT where applicable; bracketed figures indicate 10 per cent or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution; this compares gross dividend costs to profit after taxation, excluding exceptional profits/losses but including estimated extent of offsettable ACT. Yields are based on middle prices, are gross, adjusted to ACT of 30 per cent and allow for value of declared distribution and rights.

- ● "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents on application.
- ♦ Figures or report awaited.
- ♥ Not officially UK Listed; dealings permitted under Rule 163(4)(a).
- ♦ USM; not listed on Stock Exchange and company not subjected to same degree of regulation as listed securities.
- †† Dealt in under Rule 163(3).
- # Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividend or forecast.
- ♦ Merger bid or reorganisation in progress.
- ♦ Not comparable.
- ♦ Same interim: reduced final and/or reduced earnings indicated.
- § Forecast dividend; cover on earnings updated by latest interim statement.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ☆ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ‖ No par value.

B.Fr. Belgian Francs. Fr. French Francs. ♦♦ Yield based on assumption Treasury Bill Rate stays unchanged until maturity of stock. a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital, cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend, cover based on previous year's earnings. v Subject to local tax. x Dividend cover in excess of 100 times. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Minimum tender price. F Dividend and yield based on prospectus or other official estimates for 1983-84. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1984. K Figures based on prospectus or other official estimates for 1982-83. M Dividend and yield based on prospectus or other official estimates for 1983. N Dividend and yield based on prospectus or other official estimates for 1982-83. P Figures based on prospectus or other official estimates for 1982. Q Gross. T Figures assumed. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xi ex capital distribution.

REGIONAL AND IRISH STOCKS

The following is a selection of regional and Irish stocks, the latter being quoted in Irish currency

Albany Inv. 20p	52	..
Bertrams	17#	....
Bdg'wtr. Est. 50p	495	..
Craig & Rose £1	£12	....
Finlay Pkg. 5p	37	+1
Graig Ship. £1	£19	..
Higsons Brew	105	-2
Holt (Jos) 25p	900	....
I.O.M. Stm. £1	85	....
Pearce (C. H.)	£13½	..
Peel Hldgs.	174	+1

IRISH

Exch. 15pc 1983	£99¼	..
Nat. 9¼% 84/89	£85⅞	....
Fin. 13% 97/02	£91½	+1
Alliance Gas	106	..
Arnott	185	....
Carroll (P.J.)	95	....
Concrete Prods.	47	....
Heiton (Hldgs.)	13	....
Irish Ropes	28	....
Jacob	65	....
T.M.G.	85	....
Unidare	40	-2

OPTIONS

3-month Call Rates

Industrials					
Allied-Lyons	15	House of Fraser	15	Utd. Drapery	7
BOC Grp.	17	I C I	24	Vickers	12
B.S.R.	6	"Imps"	10	Woolworth Hld.	15
Babcock	18	I.C.L.	6	**Property**	
Barclays Bank	35	Ladbroke	16	Brit. Land	7½
Beecham	35	Legal & Gen.	28	Cap. Counties	12
Blue Circle	44	Lex Service	16	Land Secs.	26
Boots	22	Lloyds Bank	35	MEPC	17
Bowaters	19	"Lots"	4	Peachey	14
Brit. Aerospace	20	London Brick	11	Samuel Props.	10
B.A.T.	50	Lucas Inds.	12	Town & City	3
Brown (J.)	4	"Mams"	12	**Oils**	
Burton Ord.	24	Mrks. & Spncr.	16	Brit. Petroleum	26
Cadburys	11	Midland Bank	30	Burmah Oil	12
Courtaulds	8	N.E.I.	9	Charterhall	5
Debenhams	8½	Nat. West. Bank	38	KCA	8
Distillers	20	P & O Dfd.	14	Premier	4
Dunlop	5½	Plessey	50	Shell	35
Eagle Star	30	Racal Elect.	45	Tricentrol	22
F N F C.	4	R.H.M.	6	Ultramar	42
Gen. Accident	30	Rank Org. Ord.	15	**Mines**	
Gen. Electric	24	Reed Intnl.	26	Charter Cons.	20
Glaxo	45	Sears	9	Cons. Gold	40
Grand Met.	25	T.I.	13	Lonrho	8
G.U.S. 'A'	50	Tesco	8	Rio T. Zinc	42
Guardian	35	Thorn EMI	38		
G K N	15	Trust Houses	13		
Hawker Sidd	30	Turner & Newall	4		
		Unilever	65		

A selection of Options traded is given on the London Stock Exchange Report page

"Recent Issues" and "Rights" Page 41

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £600 per annum for each security

CURRENCIES, MONEY and CAPITAL MARKETS

FOREIGN EXCHANGES

Oil fears continue to haunt sterling

Sterling continued to weaken, while the dollar remained very firm against all major currencies except the Japanese yen.

There were no new factors to influence the foreign exchangs, with the members of the EMS trading fairly quietly ahead of the French austerity measures. The Bundesbank intervened when the French franc and Irish punt touched their EMS ceilings in Frankfurt, and the Belgian franc was unsettled by a slightly larger than expected cut in the Belgian bank rate.

Firm interest rates were again the major feature supporting the dollar, with the pound's decline attributed to fears of an oil price war. The pound fell to a record low against the dollar, and finished at the weakest since November 1976 on a trade-weighted basis.

STERLING — Trading range against the dollar in 1982-83 is 1.9265 to 1.4585. February average 1.5735. Trade-weighted index 78.3 against 78.3 at noon, 78.8 at the opening, 78.5 at the previous close, and 91.8 six months ago. Sterling remains weak and vulnerable because of uncertainty about world oil prices, as fears continue to over-hank the market of a possible price war between Britain and Nigeria.

Sterling fell to a record $1.4570-1.4580, before finishing at an all time closing low of $1.4580-1.4590, a fall of 1.35 cents on the day. The pound also weakened to DM 3.54 from DM 3.55 against the D-mark; to FFr 10.5950 from FFr 10.62 against the French franc; to SwFr 3.0425 from SwFr 3.0550 in terms of the Swiss franc, and to Y348.75 from Y352.25 against the Japanese yen.

DOLLAR — Trade-weighted index (Bank of England) 122.5 against 122.4 six months ago. The dollar has hown renewed strength as a safe haven for funds during a time of extreme uncertainty about the effects of falling oil prices, and unheaval within the EMS. U.S. interest rates have not fallen as sharply as once expected, partly because of the high level of Federal funding.

The dollar rose to DM 2.4250 from DM 2.4095; to FFr 7.2675 from FFr 7.2250; and to SwFr 2.0840 from SwFr 2.0735; but fell to Y238.90 from Y239.40.

D-MARK — Trading range against the dollar in 1982-83 is 2.4940 to 2.2410. February average 2.4260. Trade-weighted index 131.2 against 125.3 six months ago. German economic strength and low inflation compared with many of its neighbours have once again caused strains within the European Monetary System. The result of the German general election gave an added boost to the D-mark, prompting considerable Bundesbank support for weaker EMS members, before the realignment of the system.

The French franc and Irish punt were fixed at their maximum allowed limits against the D-mark at the Frankfurt fixing. The franc remained at its ceiling of DM33.35 per 100 francs, and the Irish punt at DM3.16. The Bundesbank sold FFr 125m at the fixing, and also I£350,000, and $18.75m when the dollar rose to DM 2.4233 from DM 2.4014. Sterling was unchanged at DM 3.54, but the Belgian franc fell to DM 5.04 per 100 francs from DM 5.0640, after the cut in the Belgian bank rate.

BELGIAN FRANC — Trading range against the dollar in 1982-83 is 50.21 to 38.12. February average 47.48. Trade-weighted index 95.7 against 94.0 six months ago. Emergency foreign exchange controls and heavy central bank support made it clear that the Belgian authorities had no intention of devaluing the franc in the recent EMS realignment despite the extreme weakness of the currency. The subsequent revaluation was therefore not surprising, and the National Bank has now taken advantage of renewed EMS stability to cut its bank rate.

The Belgian National Bank spent the equivalent of BFr 7.1bn to support the franc last week ahead of the EMS realignment. After buying BFr 1.9bn in foreign currencies at the beginning of the week as the franc rose very sharply following the emergency exchange restrictions, the position was again quickly reversed, with the authorities spending BFr 9bn during the rest of the week. Yesterday's cut in bank was larger than expected, leading to a weakening of the franc against the D-mark and guilder.

EMS EUROPEAN CURRENCY UNIT RATES

	ECU central rates	Currency amounts against ECU March 23	% change from central rate	% change adjusted for divergence	Divergence limit %
Belgian Franc ...	44.3662	44.3852	+0.04	−0.18	±1.5491
Danish Krone ...	8.04412	7.95588	−1.10	−1.32	±1.6419
German D-Mark	2.21516	2.24000	+1.12	+0.90	±1.0567
French Franc ...	6.79271	6.71676	−1.12	−1.34	±1.4018
Dutch Guilder ...	2.48587	2.51556	+0.79	+0.57	±1.4941
Irish Punt ...	0.71705	0.708938	−1.13	−1.35	±1.6698
Italian Lira ...	1386.78	1331.74	−3.97	−3.97	±4.1463

Changes are for ECU, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

OTHER CURRENCIES

Mar. 23	£	$		£	Note Rates
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

*Selling rate.

CURRENCY RATES

Mar. 23	Bank rate %	Special Drawing Rights	European Currency Unit
[illegible]	[illegible]	[illegible]	[illegible]

* CS/SDR rate for March 21: 1.32354.

CURRENCY MOVEMENTS

Mar. 23	Bank of England Index	Morgan Guaranty Change %
[illegible]	[illegible]	[illegible]

Based on trade weighted changes from Washington agreement December 1971. Bank of England Index (base average 1975=100).

THE POUND SPOT AND FORWARD

March 23	Day's spread	Close	One month	% p.a.	Three months	% p.a.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Belgian rate is for convertible francs. Financial franc 72.95-73.05. Six-month forward dollar 0.63-0.58c pm. 12-month 0.85-0.70c pm.

* Netherlands—the rates for March 22 should have read 3.95½-3.99 (spread), 3.96½-3.97½ (close).

THE DOLLAR SPOT AND FORWARD

March 23	Day's spread	Close	One month	% p.a.	Three months	% p.a.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

† UK and Ireland are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency.

Belgian rate is for convertible francs. Financial franc 50.00-50.10.

* The closing rate on March 22 should have read 2.5665-2.5685.

EXCHANGE CROSS RATES

Mar. 23	Pound St'rling	U.S. Dollar	Deutschem'k	JapaneseYen	FrenchFranc	Swiss Franc	Dutch Guild'	Italian Lira	Canada Dollar	Belgian Franc
Pound Sterling	1.	1.459	3.540	348.8	10.595	3.043	3.960	2101.	1.790	69.90
U.S. Dollar	0.686	1.	2.427	239.1	7.264	2.086	2.715	1441.	1.227	47.93
Deutschemark	0.283	0.412	1.	98.53	2.993	0.859	1.119	593.5	0.506	19.75
Japanese Yen 1,000	2.867	4.182	10.15	1000.	30.38	8.724	11.35	6024.	5.133	200.4
French Franc 10	0.944	1.377	3.341	329.2	10.	2.872	3.738	1983.	1.689	65.97
Swiss Franc	0.329	0.479	1.164	114.6	3.482	1.	1.302	690.6	0.588	22.97
Dutch Guilder	0.253	0.368	0.894	88.07	2.676	0.768	1.	530.6	0.452	17.65
Italian Lira 1,000	0.476	0.694	1.685	166.0	5.043	1.448	1.885	1000.	0.852	33.27
Canadian Dollar	0.559	0.815	1.978	194.8	5.919	1.700	2.212	1174.	1.	39.05
Belgian Franc 100	1.431	2.087	5.064	498.9	15.16	4.353	5.665	3006.	2.561	100.

FINANCIAL FUTURES

Gilts decline

Gilt prices finished above the day's lowest levels on the London International Financial Futures Exchange yesterday, but reversed Tuesday's firmer trend. Apart from one trade for September delivery, activity was entirely confined to the month of June. Prices opened ⅞ per cent lower at 102-30, reflecting the depressed state of the cash market, where market levels appeared to be seeking guidance for most of the day after starting on a depressed note, about £1¼ lower than the previous close. Nervousness about the pound, which fell to a record low against the dollar, pushed the June contract down to a low of 102-01, but it showed a slight rally in the afternoon, to finish ¾ lower on the day at 102-17.

The June price of the three-month sterling deposit began four basis points down at 89.82, and fell to a low of 89.66, as interest rates maintained Tuesday's firmer trend on the London money market. The short sterling contract also rallied towards the close however to finish at 89.81, a fall of five points on the day. Sentiment in interest rate markets was helped by a report that the authorities are not very concerned about the recent decline in the value of sterling, regarding it as a reflection of the general strength of the dollar.

Eurodollar prices finished firmer, with the June price rising nine points to 90.37, on the early strength of Treasury bond prices in Chicago, and hopes that the fall in U.S consumer prices will reduce the high level of interest rates.

LONDON

THREE-MONTH EURODOLLAR $1m points of 100%

	Close	High	Low	Prev
June	90.37	90.38	90.23	90.28
Sept	90.16	90.17	90.05	90.08
Dec	90.04	90.05	89.93	89.89
March	89.84	—	—	89.77
June	—	—	—	—

Volume 1,476 (1,034)
Previous day's open int. 3,683 (3,688)

THREE-MONTH STERLING DEPOSIT £250,000 points of 100%

	Close	High	Low	Prev
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

20-YEAR 12% NOTIONAL GILT £50,000 32nds of 100%

	Close	High	Low	Prev
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

STERLING £25,000 $ per £

	Close	High	Low	Prev
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

DEUTSCHE MARKS DM 125,000 $ per DM

	Close	High	Low	Prev
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

SWISS FRANCS SwFr 125,000 $ per SwFr

	Close	High	Low	Prev
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

JAPANESE YEN Y12.5m $ per Y100

	Close	High	Low	Prev
June	0.4209	0.4226	0.4208	0.4218
Sept	0.4241	—	—	0.4250
Dec	—	—	—	—

Volume 45 (76)
Previous day's open int. 327 (345)

CHICAGO

U.S. TREASURY BONDS (CBT) 8% $100,000 32nds of 100%

	Latest	High	Low	Prev
June	75-27	76-02	75-26	75-18
Sept	75-11	75-16	75-03	75-00
Dec	74-30	75-02	74-22	74-18
March	74-19	74-23	74-12	76-02
June	74-09	74-13	74-03	73-31
Sept	74-04	74-04	73-28	73-23
Dec	73-29	73-29	73-20	73-16
March	73-23	73-23	73-15	74-06
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

U.S. TREASURY BILLS (IMM) $1m points of 100%

	Latest	High	Low	Prev
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

CERT. DEPOSIT (IMM) $1m points of 100%

	Latest	High	Low	Prev
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

THREE-MONTH EURODOLLAR (IMM) $1m points of 100%

	Latest	High	Low	Prev
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

STERLING (IMM) Se per £

	Latest	High	Low	Prev
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

GNMA (CBT) 8% $100,000 32nds of 100%

	Latest	High	Low	Prev
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Dec	—	—	—	66-00
March	—	—	—	65-23
June	—	—	—	—
Sept	—	—	—	—
Dec	—	—	—	—

MONEY MARKETS

London rates firm

UK clearing bank base lending rate 10½ per cent
(since March 15 and 16)

Short-term interest rates were about 1/16-⅛ per cent firmer on the London interbank market yesterday, but trading remained calm for the most part as the Bank of England continued to supply a generous amount of assistance. Money market nerves were tested when sterling fell below the $1.46 level, but dealers are still looking towards a bank base rate level of 10 per cent, while conceding that recent events have probably delayed any further cut.

Interbank overnight money was around 10½-11 per cent for most of the day, but fell to 4 per cent at the close.

The Bank of England forecast a market shortage of £400m, but supplied total help of £442m, through outright purchases of bills. Bills maturing in official hands, and a take-up of Friday's Treasury bill tender drained £500m, while Exchequer transactions absorbed another £10m and a rise in the note circulation £70m. These were partly offset by above target bank balances of £150m.

Before lunch the authorities bought £417m bills by way of £93m bank bills in band 1 (up to 14 days maturity) at 10 7/16 per cent; £18m bank bills in band 2 (15-33 days) at 10⅜ per cent; £58m bank bills in band 3 (34-63 days) at 10⅜ per cent; £37m Treasury bills in band 4 (64-91 days) at 10¼ per cent; £33m local authority bills in band 4 at 10¼ per cent; and £178m bank bills in band 4 (64-84 days) at 10¼ per cent.

In the afternoon the Bank of England bought another £25m bank bills, through purchases of £21m bank bills in band 2 at 10⅜ per cent, and £4m bank bills in band 3 at 10⅜ per cent.

In Brussels the Belgian National Bank cut its bank rate by 3 per cent to 11 per cent, the lowest level for over three years. Financial markets were expecting a reduction of 1-2 per cent, and the Belgian franc weakened on the announcement, although the move does little more than offset the emergency bank rate increase of 2½ per cent on March 8. As a result Brussels call money fell to 13.9 per cent from 16.75 per cent, and speculation increased that the authorities will relax the emergency foreign exchange restrictions late next week.

LONDON MONEY RATES

Mar. 23 1983	Sterling Certificate of deposit	Interbank	Local Authority deposits	Local Auth. negotiable bonds	Finance House Deposits	Company Deposits	Discount Market Deposits	Treasury Bills ф	Eligible Bank Bills ф	Fine Trade Bills ф
Overnight	—	4-11	—	—	—	9-11⅛	4-10¾	—	—	—
2 days notice	—	—	10¾-10⅞	—	—	—	—	—	—	—
7 days or	—	—	—	—	—	11⅛	—	—	—	—
7 days notice	—	10¾-11	10⅞	—	—	11	10½-10⅝	—	—	—
One month	11-10⅞	10⅞-11	10¾	11⅛-11⅛	11	10 13/16	10½	10½-10 7/16	10 7/16-10⅜	11 3/16
Two months	10⅞-10¾	10 15/16-11	10¾	11⅛-11	10⅞	10 13/16	10⅛-10¼	10⅜-10 5/16	10 5/16	11 1/16
Three months	10 13/16-10 11/16	10¾-10⅞	10⅝	11¼-10⅞	10 13/16	—	10-10⅛	10 3/16-10⅛	10 5/16-10⅜	10 13/16
Six months	10⅝-10½	10⅝-10 11/16	10½	10⅝-10⅛	10⅝	—	—	—	10 3/16-10 1/16	10⅝
Nine months	10½-10⅜	10⅝-10 11/16	10½	10⅞-10½	10⅝	—	—	—	—	—
One year	10½-10⅜	10 9/16-10¾	10½	10¾-10⅜	10⅝	—	—	—	—	—
Two years	—	—	10¼	—	—	—	—	—	—	—

ECGD Fixed Rate Export Finance Scheme IV Average Rate for interest period February 2 to March 1 1983 (inclusive) 11.391 per cent.

Local authorities and finance houses seven days' notice, others seven days fixed. Long-term local authority mortgage rates nominally three years 10¾ per cent; four years 11⅛ per cent; five years 11½ per cent. фBank bill rates in table are buying rates for prime paper. Buying rate for four month bank bills 10⅛ per cent; four months trade bills 11 per cent.

Approximate selling rate for one month Treasury bills 10 13/32 per cent; two months 10 11/32 per cent; and three months 10¼ per cent. Approximate selling rate for one month bank bills 10⅜ per cent; two months 10⅜ per cent; and three months 10¼ per cent; trade bills 10 27/32 per cent; two months 10 23/32 per cent and three months 10 21/32 per cent.

Finance Houses Base Rates (published by the Finance Houses Association) 11½ per cent from March 1 1983. London and Scottish Clearing Bank Rates for lending 10½ per cent. London Deposit Rates for sums at seven days' notice 7½ per cent.

Treasury Bills: Average tender rates of discount 10.1643 per cent. Certificates of Tax Deposit (Series 6). Deposits of £100,000 and over held under one month 10⅝ per cent; one-three month 10½ per cent; three-six month 10⅝ per cent; six-12 month 10½ per cent. Under £100,000 10¼ per cent from March 16. Deposits held under Series 3-5 10½ per cent. The rate for all deposits withdrawn for cash 8 per cent.

INTEREST RATES

EURO-CURRENCY INTEREST RATES
(Market closing rates)

Mar. 23	Short term	7 days notice	Month	Three Months	Six Months	One Year
Sterling	10¾-11	10¾-11	10⅞-11	10 13/16-10 15/16	10 11/16-10 13/16	10 11/16-10 13/16
U.S. Dollar	8⅞-9⅛	9-9¼	9⅝-9⅝	9 9/16-9 11/16	9 9/16-9 11/16	9¾-10
Can. Dollar	8-9	8-9	9-9¼	9½-9¾	9⅝-9⅞	9 15/16-10 3/16
D. Guilder	3⅝-3⅞	3⅛-3⅜	3⅝-3¾	4 1/16-4 3/16	4⅛-4⅝	5-5⅛
S. Franc	2⅜-2⅝	5⅞-6⅛	4⅛-4¼	3⅞-4	3⅞-4	3⅞-4
Deutschem'rk	4⅜-4½	4⅝-4¾	4¾-4⅞	4 7/16-4 9/16	5-5⅛	5¼-5⅝
Fr'nch Franc	25-75	25-50	15-23	18-19	16-18	16-17
Italian Lira	15-65	18⅛-27⅛	19⅜-22¾	18⅞-20⅝	19¼-20⅛	18⅞-20¼
Belg. Franc Conv.	28-35	20-30	14-16½	12¾-13¾	12½-13½	12½-13½
Fin.	15-15½	13-14	12⅛-12⅝	12⅛-12⅝	12-12¼	12-12¼
Yen	6 1/16-6 5/16	6 9/16-7 1/16	6 7/16-6 11/16	6 7/16-6 11/16	6 7/16-6 11/16	6 7/16-6 11/16
D. Krone	16-16½	15¼-15¾	15-15½	14⅝-14⅞	14⅝-14⅞	14½-14¾
Asia $ (Sing.)	9 1/16-9 5/16	9¾-9⅞	9½-9⅝	9⅝-9¾	9 9/16-9 11/16	9 13/16-10 1/16

FT LONDON INTERBANK FIXING
(11.00 a.m. MARCH 23)

3 month U.S. dollars		6 months U.S. dollars	
bid 9 5/8	offer 9 3/4	bid 9 3/4	offer 9 7/8

The fixing rates are the arithmetic means, rounded to the nearest one-sixteenth, of the bid and offered rates for $10m quoted by the market to five reference banks at 11 am each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque Nationale de Paris and Morgan Guaranty Trust.

MONEY RATES

NEW YORK

Prime rate	10½
Fed funds (lunch-time)	8⅝-8⅞
Treasury bills (13-week)	8.49
Treasury bills (26-week)	8.50

GERMANY

Lombard	5.0
Overnight rate	5.05
One month	5.30
Three months	5.35
Six months	5.35

FRANCE

Intervention rate	12.5
Overnight rate	12.875
One month	12.6875
Three months	12.5625
Six months	12.1875

JAPAN

Discount rate	5.5
Call (unconditional)	6.53125
Bill discount (3-month)	6.84375

SWITZERLAND

Discount rate	4.0
Overnight rate	1½-2½
One month	4¼-4 5/16
Three months	3 15/16-4 1/16

NETHERLANDS

Discount rate	3½
Overnight rate	3⅞-4
One month	3⅞-4
Three months	4⅛-4¼
Six months	4½-4⅝

$ CERTIFICATES OF DEPOSIT

One month	9.00-9.10
Three months	9.10-9.20
Six months	9.25-9.35
One year	9.45-9.65

LONG TERM EURO $

Two years	10⅝-10⅞
Three years	11-11¼
Four years	11¼-11½
Five years	11½-11¾

SDR LINKED DEPOSITS

One month	8⅞-9⅛
Three months	8 13/16-9 1/16
Six months	8 13/16-9 1/16
One year	9⅛-9⅜

ECU LINKED DEPOSITS

One month	9⅛-9⅞
Three months	9⅝-9 15/16
Six months	9⅝-9 15/16
One year	9⅝-9 15/16

LEGAL NOTICE

INKERMAN PUBLICATIONS LIMITED
(IN VOLUNTARY LIQUIDATION)

NOTICE IS HEREBY GIVEN that the Creditors of the above-named Company are required, on or before the 29th day of April 1983, to send their names and addresses, with particulars of their debts or claims, and the names and addresses of their Solicitors (if any), to the undersigned,
BRIAN MILLS,
of 1 Wardrobe Place,
Carter Lane,
London EC4V 5AJ
the Joint Liquidator of the said Company: and, if so required by notice in writing by the said Liquidator(s), are, by their Solicitors or personally, to come in and prove their said debts or claims at such time and place as shall be specified in such notice, or in default thereof they will be excluded from the benefit of any distribution made before such debts are proved.
Dated 8th March, 1983.
REDMOND CHARLES JOHNSON,
BRIAN MILLS,
Liquidators.

CHICO SPORTSWEAR LIMITED
(IN VOLUNTARY LIQUIDATION)

NOTICE IS HEREBY GIVEN, in pursuance of section 300 of the Companies Act 1948, that General Meetings of the Members and Creditors of the above-named Company will be held at the Offices of
SINGLA & CO.,
Chartered Accountants,
423, Alexandra Avenue,
Harrow, Middlesex
on 7th. April 1983 at 11.00 and 11.30 in the forenoon respectively, to receive an account showing how the Winding-up of the Company has been conducted and its property disposed of and to hear any explanation that may be furnished by the Liquidator and to pass a Resolution as to the disposal of the books, accounts and documents of the Company.
S. K. SINGLA, F.C.A.,
Liquidator
15th March 1983

IN THE MATTER OF
THE COMPANIES ACT 1948
AND IN THE MATTER OF
MEHMET BROTHERS LIMITED T/AS
BOULOGNE RESTAURANT
Regd. Office:
423 Alexandra Avenue,
Harrow, Middlesex

NOTICE IS HEREBY GIVEN Pursuant to Section 293 of the Companies Act. 1948 that a MEETING of the CREDITORS of the above-named Company will be held at Kings Head Hotel, High Street, Harrow, on 11th April 1983 at 11.30 am for the purposes mentioned in Sections 294 and 295 of the Said Act.
Dated this 15th day of March 1983.
By Order of the Board,
P. N. F. DENMAN,
Director.

PUBLIC NOTICES

BEDFORDSHIRE COUNTY COUNCIL £5 million Bills issued 23 March 1983 due 22 June 1983. Average rate of 10.218750. Applications £57 million. Bills outstanding £10 million.

IN MEMORIAM

IN MEMORY OF John Francis Seymour CARLISLE who died on the 24th March 1976.

Authorised Units—continued

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Insurances—continued

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Offshore and Overseas—continued

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Perpetual U.T. Managers (Jersey) Ltd				
PO Box 459, St Helier, Jersey. 0534 74517				
OffshrGwth	$0.99	1.0o3		2.00
Rothschild Asset Management (C.I.)				
St Julian's Ct. St Peter Pt. Guernsey. 0481 26741				
OC International Reserves Ltd				
Bel Frs	BFr528.18	+0.940	14.1	
Canadian $	C$35.65	+0.020	7.13	
D-Mark	DM50.0	+0.015	3.94	
Dutch Guilder	Fl49.525	+0.040	3.92	
Tyndall-Guardian Management Ltd				
PO Box 1256, Hamilton, Bermuda.				
T-G Am	$41.75	—		
T-G Money	20.63	—		
T-G Bond	$15.58	—		
T-G Com	$22.43	—		
T-G Mort	C$18.87	—		
T-G O'seas	$10.74	—		
T-G Pacific	Y1,744	—		
T-G WallSt	$22.75	—		